Daily Report

Latin America

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Central American Vice Presidents Begin Meeting

PA2907125888 Panama City ACAN in Spanish 2238 GMT 28 Jul 88

[Text] Guatemala City, 28 Jul (ACAN-EFE)—Today Central American vice presidents began a 2-day meeting in Guatemala City to analyze EEC and UN economic cooperation plans for the region.

In the meeting, held at a Guatemala City hotel, the vice presidents will study a $4 million special economic cooperation plan approved by the United Nations for Central America as well as the mechanisms for its implementation.

They will also discuss the EEC's cooperation in the region, involving $1 billion to implement projects over a 5-year period.

During the 2-day discussions, the vice presidents will approve a "Central American agricultural reactivation plan" and will review the current situation in the region.

Joint Declaration Issued

PA3007163988 Managua Radio Sandino in Spanish 1200 GMT 30 Jul 88

["Text" of joint declaration issued by the Central American vice presidents in Guatemala City—date not given]

[Text] The vice presidents of Costa Rica, El Salvador, Guatemala, and Nicaragua, and the Honduran presidential representative met in Guatemala City on 28-29 July with the Central American ministers responsible for regional economic integration and development; the five nations' planning, treasury, and agriculture ministers; and representatives of subregional, regional, and international cooperation and development organizations.

The vice presidents and ministers listened to progress reports on various aspects of international cooperation, particularly with regard to the UN General Assembly's special economic cooperation plan for Central America approved on 12 May 1988.

Reaffirming their gratitude to the international community—as was done during a special UN General Assembly session—for the international support Central America has received for its peace and development efforts, the vice presidents affirmed their satisfaction with UN decisions and actions, particularly with regard to the UN Development Program, UNDP, to set the aforementioned plan into action. They also expressed their great satisfaction with the response by Central American leaders and plans for cooperation. To this end, an ad hoc working plan will be drawn up to implement the actions and operations required by this plan. In this regard, they underscored the praiseworthy efforts by the ministers in charge of integration and other ministers contributing to this coordination effort.

The vice presidents voted to reaffirm their strong support for strengthening regional cooperation as well as its structures and institutions, which must not be confused with the working plans that must be drawn up at the proper time to address specific opportunities for international cooperation. In this regard, they decided to make special mention of the high degree of understanding and cooperation displayed by regional organizations and endorsed a decision to sign an agreement to institutionalize such productive actions. They voted to express their recognition of international organizations' unfailing willingness to help with Central America's economic and social development, which these organizations have demonstrated by sending representatives to the vice presidents meeting.

Given the international community's interest and confidence in Central America and, above all, in strengthening prospects for regional peace and dialogue, the vice presidents gladly took note of progress made toward the creation of a Central American parliament. The treaty has been signed by the five nations' presidents, has already been ratified by three of their legislatures, and is expected to be ratified by the two remaining nations shortly.

The vice presidents reasserted their willingness to redouble efforts to promptly fulfill presidential commitments made at the first Esquipulas summit. Emphasizing the fact that this meeting took place on the eve of the first anniversary of the signing of the Esquipulas II agreements, the vice presidents reasserted their belief in the full validity of these agreements and the firm commitment by their respective governments to fulfill the pertinent obligations, to maintain a desire for peace, and to continue along the path toward a negotiated solution to the Central American crisis, as was expressed in Guatemala on 7 August 1987 and reiterated in Alajuela, Costa Rica, on 16 January 1988.

The vice presidents voted to reiterate their gratitude to the EEC for its constant and increasing interest in Central American development, which was demonstrated recently on the occasion of the second EEC meeting on Central America.

The vice presidents meeting resulted in a vote to express special recognition to the CORECA [Regional Agricultural Cooperation Council] agriculture ministers and its secretariat as well as to the Inter-American Institute for Agricultural Cooperation for its adoption of a plan for Central American agricultural development. This plan represents a crucial first step in the development of one of the region's most strategic sectors as well as a useful model for the region's technical, political, and institutional coordination efforts. The meeting underscored CORECA's significance in terms of social investments, because it addresses the people's basic needs and is intended to improve living conditions.

The vice presidents also pledged to give the people's welfare a high priority when designing regional programs and to fully make such problems known to the international community in order to obtain the necessary financial support.

The Central American vice presidents welcomed the proposal from the Japanese Government to establish a mixed Japanese-Central American commission to open a dialogue aimed at furthering political, economic, and cooperation ties between that country and Central America.

Finally, the vice presidents emphasized the importance of foreign cooperation in the consolidation of the Central American peace process and the need for internal Central American coordination in order to make adequate use of international assistance. The vice presidents also expressed their willingness to continue to promote regional development and integration efforts by strengthening Central American institutions. They also expressed their willingness to continue to contribute to improving the implementation of present and future coordination plans.

[Signed] Rodolfo Castillo Claramount, Salvadoran Vice President; Alfredo Fortin Hinestroza, Honduran presidential representative; Sergio Ramirez Mercado, Nicaraguan Vice President; Jorge Manuel Dengo, Costa Rican Vice President; Roberto Carpio Nicolle, Guatemalan Vice President

U.S. Said 'Pressuring' C.A. Foreign Ministers

PA0108001788 Paris AFP in Spanish 2153 GMT 31 Jul 88

[Text] Guatemala City, 31 Jul (AFP)—A spokesman for the Costa Rican Foreign Ministry has admitted that the United States is pressuring Central American foreign ministers to condemn Nicaragua during the meeting they will hold with U.S. Secretary of State George Shultz here tomorrow. Although the U.S. Embassy has denied the existence of such pressures, a delegate of the Costa Rican Foreign Ministry has told AFP that Shultz wants to obtain a document condemning Nicaragua.

Today the Cental American foreign ministers—excluding Nicaragua's—began a meeting in Guatemala City to evaluate the Central American peace process on the eve of the first anniversary of the signing of the Esquipulas II peace accords. The meeting, which is being held in a Guatemala City hotel, is being attended by Guatemalan Foreign Minister Alfonso Cabrera, Salvadoran Foreign Minister Ricardo Acevedo, Honduran Foreign Minister Carlos Lopez, and Costa Rican Foreign Minister Rodrigo Madrigal.

"The foreign ministers want to unify opinions and finish working out details on the meeting they will hold tomorrow with U.S. Secretary of State George Shultz," a Guatemalan Foreign Ministry spokesman, who asked to remain anonymous, told AFP.

Today the Public Relations Office of the Presidency reported that Shultz is scheduled to arrive in the Guatemalan capital at approximately 0900 on Monday. After he arrives, the U.S. diplomat will go to the government palace in the central part of the city to meet with President Vinicio Cerezo. Shultz will meet later with the Central American foreign ministers at the Camino Real Hotel.

Today the U.S. Embassy in this capital denied that the Reagan administration is "pressuring" Guatemala and Costa Rica to issue a communique against the Sandinist regime.

"The United States has not worked to undermine the Esquipulas II agreement and it has not asked Guatemala to abandon its policy of active neutrality," a U.S. diplomatic mission communique stated. Nevertheless, today a member of the Costa Rican delegation told AFP that the United States "continues to exert pressure to obtain a declaration that condemns Nicaragua for not complying with the Central American plan."

"There is no certainty at this time about the results of the meeting, because while the United States is exerting heavy pressure to achieve its objective, Guatemala and Costa Rica maintain that the meeting itself is sufficient pressure on Nicaragua," the source, who refused to be identified, stated.

Cuba

Delegation in Geneva for Quadripartite Talks

FL0108102588 Havana Radio Reloj Network in Spanish 1002 GMT 1 Aug 88

[Text] The Cuban delegation to the quadripartite talks on the situation in southwest Africa, which begins tomorrow, is in Geneva, host city for the historic event. The Cuban mission is headed by Carlos Aldana, secretary of the PCC Central Committee, and is also composed of General Ulises Rosales del Toro, chief of staff of the FAR; Ricardo Alarcon, vice foreign minister; and others.

This is the fourth meeting among Angola, Cuba, South Africa, and the United States aimed at analyzing the conflict in southwest Africa and reaching a negotiated solution.

International press reports agree that during the third meeting held in New York, positive agreements were reached among the parties in terms of a negotiated solution to the southwest African conflict.

U.S. 'Covert' Actions Against Panama Assailed

PA3107165488 Havana International Service in Spanish 2300 GMT 30 Jul 88

["Our America" commentary read by Norberto Hernandez]

[Text] Regardless of whether he did it for electoral purposes or not, U.S. President Ronald Reagan's attitude of authorizing new covert CIA actions against the legitimate Panamanian authorities confirms the interventionist and illegal nature of the White House policy against Panama. It is outrageous that the disclosure in the United States of this type of plan—which seeks to destabilize the legally constituted government and eliminate the sovereignty of neighboring nations—will only cause concern about whether or not the President is trying to wage a propaganda campaign, favoring the plans of the Republican Party to stay in power.

The information about the new U.S. official directives against Panama was released by THE WASHINGTON POST, which reported that Ronald Reagan instructed the CIA to prepare destablization actions that include kidnapping General Manuel Antonio Noriega, chief of the Panama Defense Forces.

It is actually a continuation of the actions carried out by the U.S. Embassy in Panama City through the local rightist forces, which eventually had to retreat in view of the dignified stand of the government and people. Since last year, Washington has been trying to oust the current Panamanian authorities and install in power certain officials who will be docile and modify the Torrijos-Carter treaties, thus perpetuating the U.S. presence in the interoceanic waterway beyond the year 2000.

As Leonardo Kam, Panamanian ambassador to the United Nations, said, this aggression violates international law and all norms of coexistence among nations. Panamanian Foreign Minister Jorge Ritter said the same when he announced his country was planning to resort to the UN Security Council. It is clear the U.S. actions against Panama are part of a strategy to dominate Central America, a plan that includes other tactical expressions such as the undeclared war against Nicaragua and the plans to abort all negotiated solutions to the conflict.

In the Panama Canal area, the United States has many military installations, including the Southern Command headquarters, which guarantees all types of aggressive actions against the Latin American peoples' movement. Therefore, Reagan has not hesitated at all in his warmongering plans of trying to remove the people in Panama who are demanding the enforcement of the Torrijos-Carter treaties, which establish a deadline for the end of U.S. presence in the area by the beginning of the next century.

This arrogant and illegal action is Washington's main concern, and this is the aspect the progressive forces of the country should emphatically condemn, because this is the defense of the basic right of all people to sovereignty and defense of their own territory.

Interior Ministry Officials, Generals Promoted

FL3007113388 Havana Radio Progreso Network in Spanish 1100 GMT 30 Jul 88

[Text] Yesterday Commander in Chief Fidel Castro promoted to higher grades a group of Interior Ministry [Minint] generals and officials. Army General Raul Castro and high-level FAR and Minint officials also participated in the award ceremony.

After congratulating those who were promoted, Fidel said that even though the work of revolutionaries is sometimes very hard, life also contains some satisfactions. This is one of them, he added, because one cannot attain such high honors and responsibilities without totally dedicating oneself to the effort and fulfillment of one's commitment.

Fidel told the promoted officials that they had the privilege of receiving their grades during the year of the 35th anniversary of the assault on the Moncada Barracks. This coincidence is symbolic, he added, because there have been few years—and possibly there may be few more—that are as important, grandiose, and meritorious for the revolution as 1988.

Castro Speaks at Ceremony

FL3007190188 Havana Tele-Rebelde Network in Spanish 1700 GMT 30 Jul 88

[Text] Commander in Chief Fidel Castro and Army General Raul Castro, first and second secretaries of the PCC Central Committee, respectively, have presented the promotion order to a group of higher-ranking officials of the Interior Ministry.

Also present at the ceremony were Division Generals Ulises Rosales del Toro, alternate member of the PCC Politburo, and Jose Abrantes, member of the PCC Central Committee and interior minister.

[Begin recording] [Speaker reads statement] In accordance with the organizational improvement of the Interior Ministry and in just recognition of their merits, the work carried out in completing their assigned missions, and on the occasion of the 35th anniversary of the assault on the Moncada Barracks, I order:

First, that those generals and officials mentioned on the attached list be promoted to the ranks of division general, brigade general, and colonel.

Second, that the promotions in rank listed in this order be effective as of 26 July 1988.

Issued in the city of Havana, Interior Ministry, on the 26th day of July of 1988, 35th year of the revolution.

Signed: Fidel Castro Ruz, Commander in Chief

[Fidel Castro] The work of the revolutionary is hard. The work of the combatants of the Interior Ministry is hard; sometimes it is very hard. But life for revolutionaries and combatants is not only hard; it also has its satisfactions. Not only is there the collective satisfaction that we can all feel; there is also the personal satisfaction that you certainly have felt and are feeling today. After so many years of struggle, one does not attain such high honors, such high responsibilities, without dedicating one's entire life to a cause, an effort, a struggle, without dedicating an entire lifetime to the fulfillment of a commitment. For as you know, privileges of any type or favoritism of any kind do not prevail in our Interior Ministry or in our FAR. Instead, merit essentially and exclusively prevails.

Men can make mistakes. They can even make a subjective analysis when they evaluate a comrade, when they evaluate a cadre, but it's not just one man. Many men make judgments, analyze, evaluate, and when the decision is made to promote a certain number of comrades to these ranks, it is because they truly have exceeded the analysis of their merits, real merits, objective merits.

This is the year, the 35th anniversary, of the heroic efforts of our people, of the great efforts of our people under very difficult circumstances. You have had the privilege of receiving these ranks this afternoon. I think it's very symbolic and expresses the justness of the decision to make these promotions. I say that in truth, there have been few years, and it is possible there may be few more years, although one can't always have the final word, as important, grandiose, and meritorious for the revolution as this year. I congratulate you.

Fatherland or death, we will win! [applause] [end recording]

Raul Castro Meets With DPRK Army Leader

FL0108132288 Havana Tele-Rebelde Network in Spanish 1100 GMT 1 Aug 88

[Text] Last night, Army General Raul Castro Ruz, second secretary of the PCC and minister of the FAR, received Lieutenant General Kim Ya-kui, commander of the artillery of the Korean People's Army and member of the Workers Party of Korea Central Committee. He also met with the delegation accompanying Lt Gen Kim, which participated in the activities commemorating the 35th anniversary of the Moncada Barracks attack. The talks were held at the Minfar [Ministry of the FAR] offices and were held in a fraternal and friendly atmosphere. Kim Ya-kui conveyed to Raul greetings from Comrade Kim Il-song, leader of the Korean revolution, and the dear leader Kim Chong-il.

Risquet Meets With Afghanistan's Kawiani

LD3107122388 Kabul Domestic Service in Dari 1600 GMT 30 Jul 88

[Excerpt] Najmuddin Kawiani, member of the Politburo of the PDPA [People's Democratic Party of Afghanistan] Central Committee and chairman of the International Affairs Commission of the Wolasi Jerga, who is visiting the Republic of Cuba, met recently with [Jorge] Risquet, member of the Politburo and secretary of the PCC Central Committee. Najmuddin Kawiani provided information during the meeting about national reconciliation and the Geneva agreements. Specific decisions were made concerning parliamentary and party relations. [passage omitted]

Afghan Decorates Officials

FL3007140988 Havana Tele-Rebelde Network in Spanish 1700 GMT 30 Jul 88

[Text] Najmuddin Kawiani, member of the Politburo and Secretariat of the PDPA, has decorated seven PCC and Cuban Government officials with the Friendship Order because of their work in strengthening relations between the two peoples.

Jorge Risquet Valdes, member of the PCC Politburo and Secretariat of the Central Committee, was present on behalf of Cuba.

The Friendship Between the Peoples Order was conferred upon Tania Maceira, deputy chief of the General Department of Foreign Relations of the PCC Central Committee; Manuel Pozo [name as heard], chief of the Asia Section; and Ramon Hernandez, official of this department.

The medal was also conferred upon Regino Farinas and (Jorge Lamadrid), ambassador and third secretary of the Cuban Embassy in Afghanistan, respectively; as well as Raul Garcia Pelaez, vice minister of communications, and (Manuel Penado), deputy director of the Asia and Oceania Directorate of the Minrex [Foreign Ministry].

Risquet Meets With Visiting PLO Official

FL3007124488 Havana Radio Reloj Network in Spanish 1113 GMT 30 Jul 88

[By Juan Emilio Frigols]

[Text] Jorge Risquet, member of the PCC Politburo, has held a fraternal meeting with 'Abbas Zaki, director general of international affairs of the PLO, who attended the 26 July festivities.

Risquet reiterated to the Palestinian leader Cuba's solidarity with the just cause of his people who are fighting for the right to have an independent state in their land of origin.

In statements previously made to the press, the PLO official said that the achievements of the Palestinians are greater to the extent that uprisings are increasing in occupied territories. He said that the 8 months of popular uprising have placed the Israeli enemy in a serious military, political, and economic crisis, since they are not accustomed to sustaining a prolonged war in which sophisticated weapons are unsuitable in fighting against the people.

'Civilian Rebellion' Planned

FL3007150488 Havana Tele-Rebelde Network in Spanish 1300 GMT Jul 88

[Text] The Palestinian population in the Israeli-occupied territories is at a stage in which it is preparing for a civilian rebellion, said 'Abbas Zaki, director general of international affairs of the PLO.

The high-level Palestinian official said that this is now being coordinated with partial strikes in Gaza and the West Bank. He said there is good coordination as regards sabotage and other military actions against the Israeli occupation forces.

The PLO official referred to the more than 140 military operations carried out during the past few months against Zionist troops. The principle characteristic of these actions is the collective participation of the population, he added.

The member of the Central Committee of Fatah, the main group of the PLO, said that since the Palestinian uprising began last December, major changes have occurred in Israel because its economic, political, and social crisis has worsened.

It has been necessary to mobilize more than 60,000 soldiers in Gaza and the West Bank. Despite this, he said, the Palestinian people are using rocks to write a beautiful epic for their national independence.

Risquet Meets Congolese Labor Party Leader

FL3007011688 Havana Television Service in Spanish 0000 GMT 30 Jul 88

[Text] Jorge Risquet Valdes, member of the PCC Politburo and secretary of the Central Committee, received (Celestin Goma Futu), secretary of the Congolese Labor Party, at the Central Committee offices today. (Goma Futu) headed the Congolese delegation attending the activities marking 26 July. The leaders discussed matters regarding relations between the two parties.

Military Airfield Inaugurated in Angola

FL2807143188 Havana Radio Progreso Network in Spanish 1100 GMT 28 Jul 88

[Text] A military airfield that will facilitate flights from deep inside Angolan territory and increase the defensive ability in the south was inaugurated in Cama, which is 120 km from the Namibian border.

Yesterday hundreds of Cuban soldiers, officials, and civilians paid tribute to the Moncada heroes and martyrs.

Sugar Workers Respond to Castro's Call to Work

FL3007120488 Havana Radio Progreso Network in Spanish 1100 GMT 30 Jul 88

[Text] Sugar workers are giving a massive, conscious, and enthusiastic response to Fidel's call to intensify the weeding of sugarcane plantations.

This statement was made by Juan Dieguez Almaguer, secretary general of the National Trade Union of Sugar Industry Workers.

Dieguez Almaguer said that approximately 4,000 caballerias were manually weeded during the holidays alone. He said that the sugar harvest requires efficient programming and planning, as well as an adequate repair program for the 156 sugar centers in the country, general purpose and standard tread tractors, more than 4,000 combines, and approximately 12,000 trucks used to transport the cane.

Caricom

Sugar Producers Welcome Increased U.S. Quota

FL2707150488 Bridgetown CANA in English 2136 GMT 26 Jul 88

[Text] Bridgetown, Barbados, July 26, CANA—Caribbean Community (Caricom) sugar-producing countries will this year be able to export about 58,550 short tons of sugar to the United States following an increase of just over 40 percent in its import quotas, a United States Embassy official confirmed on Tuesday.

The U.S. Administration last week announced an increase in the sugar quota for developing countries by 300,000 short tons to 1,050,000.

The originally announced quota of 757,000 tons was the lowest in over a century.

Barbados, Guyana, Trinidad and Tobago, Jamaica, St Kitts and Nevis and Belize were originally allocated a total of 41,250 tons for 1988, a 25 percent decline on 1987.

Barbados and Trinidad and Tobago's portion has each been increased from 5,770 to 8,205 tons while St Kitts and Nevis quota has moved from 5,770 to approximately 8,000 tons.

Belize and Jamaica will now be able to sell 11,045 tons, up from 7,770 tons while Guyana's quota has moved from 8,400 tons to 12,050 tons.

A Barbados sugar industry official welcomed the increase but pointed that the islands quota has fallen dramatically from over 19,000 tons in 1983/1984.

Sugar industry officials in Washington have cautioned that the 300,000 ton increase did not correct market distortions.

The largest beneficiary will be the Dominican Republic, whose quota will rise from 123,200 tons to 176,710. Other large quota holders who will benefit from the across-the-board increases are the Philippines and Brazil.

Inter-Caribbean Affairs

Police Commissioners Discuss Drug Enforcement

FL2907213888 Bridgetown CANA in English 1702 GMT 29 Jul 88

[Text] St George's, Grenada, July 29, CANA—Caribbean commissioners of police ended a four-day meeting in Grenada Thursday with a call to the region's attorneys-general to start implementing legislation to help them deal more effectively with drug traffickers.

According to Grenada's acting police commissioner, Cosmos Raymond, the attorneys-general were expected to draft legislation in keeping with the outcome of a meeting of drug enforcement officials held in Barbados earlier in the year. "We find that they (attorneys-general) are a little bit slow and we are urging that the initiatives agreed on be implemented as soon as possible", he told CANA.

The proposed legislation relates to harmonization of laws pertaining to drug trafficking, including the seizure and confiscation of property held by those involved in the illicit trade. Raymond referred to a desire by Caribbean police commissioners to get involved in a United Nations-funded network aimed at passing on information more "swiftly" among members about the illegal drug trade. He said that a number of islands, including Grenada, had already signed the agreement and that the countries in Central America, a major supplier of illegal drugs, would belong to the network.

The police commissioners meeting also agreed on the need for the Caribbean to introduce a common fingerprint identification system using the most modern technology available to them.

Raymond said that the meeting also saw the need for an urgent get-together of heads of criminal investigation departments within the region before year-end. He reported that this meeting is expected to look at the exchange of information in terms of strategies being used to solve crimes. In addition, he said the commissioners of police looked at a code of ethics for law enforcement officers and endorsed one which was produced in 1979 by the General Assembly of the United Nations.

Raymond stated that the commissioners were unable to accept the code since it entails getting permission from the various governments but agreed to look at it in more detail at their next meeting, most likely next July. "We feel its a well prepared document. It sets out guidelines for the behavior of officers and the conduct of law enforcement officers. We feel that the material there is worthwhile", he remarked.

During the meeting, Commissioner Orville Durant of Barbados was elected to replace his St Lucian counterpart Cuthbert Phillips as head of the organisation, with Ensley Pierre of Dominica elected vice-president, and Stanley Frank of St Lucia retaining the post of secretary-treasurer.

The commissioners also accepted Monsterrat and the Netherlands Antilles as full members and received applications from Aruba and Suriname for membership.

Haiti

Organizations Mark U.S. Occupation Anniversary

Students Castigate U.S. Role

FL2907171288 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 28 Jul 88

[Excerpts] Several democratic organizations are meeting today, 28 July, at Saint Jean Bosco Church to commemorate the 73d anniversary of the U.S. occupation of Haiti. [passage omitted]

In a press release bearing yesterday's date, Feneh [National Federation of Haitian Students], one of the groups organizing today's rally in Saint Jean Bosco at 1600, denounces all the havoc the United States is wreaking in Haiti. Here is what the Feneh's press release says:

The date 28 July 1988 marks the 73d anniversary of the U.S. landing in Haiti. They have been wreaking havoc in Haiti for 73 years now.

They have gotten together with the locals who have sold out the country to cart off all our wealth without a backward glance. In addition, they did not forget to give us brutal dictatorships to massacre the people so that democracy may never blossom, so that they can plunder better.

Today again, they have thrown in their lot with all the antinationalists around here in order to continue plundering the country and stop the people's progress toward liberation. Thus they have given us factories that are not useful to the country, that give the workers tuberculosis; military aid to massacre the Haitian people and the nationalists; and toxic waste to kill us off slowly. In order to show us that we mean nothing to them, they killed the small peasant farmers' pigs to bankrupt the peasants and force them to work in factories. Nor are we forgetting the role they played in Haiti just recently to put democracy where it is today.

Thus, it is clear that the Americans are not interested in encouraging democracy. They are one of the obstacles we must overcome along the road to autonomy. Don't count on them. Let's count on our own strength and on the solidarity of all the free peoples of the world. [passage omitted]

Long live Charlemagne Peralte! Long live an autonomous Haiti!

'American Plan' Denounced

FL2907224288 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 29 Jul 88

[Excerpts] [passage omitted] The National Alliance of People's Organizations thinks that if the Haitian people are seeking to identify the birthday of the country's extreme poverty, that date is 28 July 1915. On that date, 300 U.S. Marines landed in Bizoton with all the material necessary to build and structure the Haitian people's woes.

First they began to destroy, in order to build. The Americans demolished the country's economy by seizing the peasants' land and giving it to big factories, by planting crops we didn't need and which depleted the land, by killing the Creole pigs, and by distributing charity food [manje sinistre] all over the place.

The Alliance adds that the Americans became the fertilizer and compost from which repression and injustice sprouted like mushrooms in Haiti—forced labor for peasants, killer weapons to use on the Cacos and Charlemagne Peralte, a flunky Army to serve as their house boy.

Thus, Haiti is not naturally damned. Contraband, Jean-Rabel, 29 November, and so forth are the result of the way the American Government and its Haitian flunkies made a mess of and hog-tied Haiti. The U.S. Government is the mastermind behind all the decisions made in Haiti for the past 73 years.

The difference on 28 July 1988 is that the experience of the hard blows they have suffered has made them sharper, more intelligent. Friends of the [words indistinct] are just like the [words indistinct]. They are not holding back now. They are blocking us. This 28 July is an occasion for the people to reflect upon the situation, in order to understand that nothing will change if we do not make the dream of Charlemagne Peralte and Ti Benoit [Batraville] a reality.

The popular organizations must help the Haitian people see more clearly by denouncing, both in towns and in the rural areas, all the flunkies who are applying the American plan in Haiti.

Freedom for the Haitian people and independence for Haiti are possible if the people really recognize who their enemies and friends are.

Those are the thoughts of the National Alliance of People's Organizations on the 73d anniversary of the landing of the Americans in Haiti.

Celebration of this day had already begun on 27 July at the National Theater, where the mass theatre troupe (Kapeka) staged a play called "Leve Sele" for the first time. The play was a big success. Many people attended. [passage omitted] "Leve Sele" is a play that criticizes the political situation in Haiti from 17 January to the present. [passage omitted]

The show began at around 1700 with a performance by committed artist Manno Charlemagne and ended at around 2030, but the audience had not had enough. After the show, some 400 or 500 of them took to the streets in a small demonstration. They demonstrated in the area from the theater to the Grande Rue. [passage omitted]

Further on Rally

FL2907222688 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 29 Jul 88

[Excerpts] There was a big rally at Saint Jean Bosco Chapel on the Grande Rue yesterday afternoon attended mostly by young people. The rally was held on the occasion of the 73d anniversary of the landing of American soldiers in Haiti. Several hundred young people—perhaps more than 1,000—answered the call to this rally made at the beginning of the week by several committed organizations such as Feneh [National Federation of Haitian Students], APN [People's National Assembly], IEP [Union of Port-au-Prince Students], and SAJ [Solidarity Among Youth], to commemorate this date, which sullied Haiti.

Saint Jean Bosco Chapel was jam-packed, and the crowd expressed much patriotic sentiment, constantly interrupting the speech by Father Aristide, whom they had invited to speak on that occasion. [passage omitted including indistinct portions]

The rally ended with a big concert by the very popular committed artist Manno Charlemagne in the Saint Jean Bosco courtyard yesterday evening.

Ministry Seeks To Coordinate Development Work

FL2907163788 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 28 Jul 88

[Text] The Ministry of Agriculture, Natural Resources, and Rural Development announces that it wishes to increase the effectiveness of public and private sector involvement in rural development. The ministry asserts that it wants to do all it can to ensure that there is proper coordination of rural development activities both regionally and nationally.

The ministry wishes to encourage proper utilization of all resources available and to avoid confusion in the rural areas among the rural communities that are to participate in the execution of projects being carried out where they live.

Therefore, the ministry asks the officials of the nongovernmental organizations participating in the realization, management, and supervision of development projects in the rural areas to submit to the ministry a list of all their current activities. The ministry also asks that in the future, they request the ministry's approval for any other activities they may wish to undertake.

Documents and requests should be sent soon, either to the ministry central office or to that office via the ministry's departmental offices.

This press release from the Ministry of Agriculture reached the press less than 24 hours after that issued by the U.S. Embassy press office announcing that USAID is going to finance a $15-million project over a 5-year period to rehabilitate the environment and improve agricultural production in the area around Pic Macaya in Haiti's Department of the South. They had announced that all of this money would be channeled through a series of nongovernmental organizations.

We remind listeners that Michael Hooper, who is a member of the National Coalition in Support of Haitian Refugees in the United States, and Mr Kenneth [name indistinct], who is a member of the committee overseeing human rights, recently made public here in Port-au-Prince a letter they had sent U.S. Secretary of State George Shultz in which they urged Shultz to announce that no aid would be given the Haitian Government, either directly or indirectly through another party. They asked that all U.S. aid, whether development or humanitarian aid, be channeled through nongovernmental organizations so that the Haitian Government would not be able to touch it.

We also remind listeners that Washington said it has suspended all aid to Haiti since the 29 November elections, and that only humanitarian aid has continued following those elections. The United States added recently that its principal objective here in Haiti is to help the country embark upon the path of democracy with a civilian government.

Ministry Said Seeking Magistrate's Dismissal

FL2907173688 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 28 Jul 88

[Excerpts] We have received several residents of Cite Soleil, who came to complain about Delmas magistrate Mosene Beauvais. The residents say that Beauvais never even turns his head to look toward Cite Soleil, which has nevertheless become Port-au-Prince's garbage dump. They even ask that the magistrate resign, because it was not they who voted for him and, consequently, he will never do anything for them. [passage omitted]

Afterward, we met with magistrate Beauvais, who was with two members of his group, Claude Theodate and Barthold Alexandre. [passage omitted] The magistrate said that not a centime of the 75,000 gourdes of public monies has been diverted. He said he uses checks, not cash. The magistrate also stated that everything is clear and aboveboard and that there has been no underhanded wheeling and dealing. [passage omitted] The magistrate denied all the accusations.

We note that there has been a rumor circulating since yesterday to the effect that the Ministry of Interior has decided to (?remove) the Delmas magistrate group. If this turns out to be true, could there be a connection between this decision and the statements by the group of people from Cite Soleil which were made that same day?

In the latter part of our talk with the magistrate of Delmas, he spoke of manipulation; that is, of people messing with the minds of those who made the accusations against him. But the magistrate did not say who, nor did he say why.

When we asked him what he thought of the rumor that he was going to be fired, he answered that up to the present, it was from his office at city hall that he was talking to us.

Government Announces Cotton Production Program

FL2707225788 Port-au-Prince Radio Nationale in Creole 1300 GMT 27 Jul 88

[Text] The Ministry of Information and Coordination announces that the military government, sensitive to the desires of the population of the Gonaives area, has ordered the appropriate government bodies to immediately implement a program for cotton production that will affect 2,500 farmers and involve 2,800 hectares of land.

The military government's intervention will consist of giving seed and distributing small plants. Insecticides will be furnished according to the credit conditions in force.

A total of 400,000 gourdes will be given to fight parasites.

BNDAI [National Agricultural and Industrial Development Bank] is responsible for providing technical assistance.

The military government will ensure that all of the harvest from this program will be bought (?from) the producers under the best possible conditions.

Finally, the military government hopes all the agencies concerned and all the beneficiaries of this program will do their best to make this operation a real success.

That was a press release from the Ministry of Information and Coordination.

Jamaica

Independents Announce Candidacies for Elections

FL2907185088 Bridgetown CANA in English
2150 GMT 28 Jul 88

[Text] Kingston, Jamaica, July 28, CANA—Howard Wedemire, who resigned from the ruling Jamaica Labour Party (JLP) in 1986 and unsuccessfully sought to be named leader of the opposition, has announced he will run as an independent in the next general election.

Wedemire was one of the 54 JLP candidates who did not face a contest in the December 1983 general election that was boycotted by the opposition, thus giving the ruling party all 60 seats in the House of Representatives.

Wedemire, the member for the South-East Westmoreland constituency, will have to beat opposition Peoples National Party (PNP) Chairman, P.J. Patterson and any candidate nominated by the JLP to retain the seat.

Political sources here say that this was one of the seats that the JLP was having trouble filling.

Wedemire left the JLP after quarrelling over Prime Minister Edward Seaga's leadership style, but Governor General Sir Florizel Glasspole turned down his request to name him leader of the opposition.

Princess Vernon, a former JLP deputy major of Montego Bay, is to run as an independent in the St James South Constituency after she was passed over by the party. Vernon was expelled from the JLP last week after making the announcement.

Meantime, the JLP confirmed on Wednesday night that Small Business Association (SBA) President Errol Dunkley would be its candidate in the North Clarendon seat being vacated by Agriculture Minister Percival Broderick.

Polls Show Voters Want Elections by December

FL2907184288 Bridgetown CANA in English
2158 GMT 28 Jul 88

[Text] Kingston, Jamaica, July 28, CANA—Most Jamaicans want Prime Minister Edward Seaga to call general elections by December, according to the findings of a public opinion poll published Thursday.

The opinion survey was the first carried by the Jamaica RECORD newspaper which was launched this week, and according to the paper was conducted by Don Anderson, head of the company, Market Research Limited. The poll was done between July 1-5 with a sample of 1,500 voting age Jamaicans and has an error margin of 3.4 per cent.

According to the survey, 62.6 per cent would like to see the election held by December.

But in terms of a voter preference for any particular month, the most popular, with 13.9 per cent, was March next which would require Seaga utilising a constitutional three-month grace period before calling the ballot. The next most popular months for the election are August and September, each with 13.5 per cent.

"Undoubtedly, the opposition PNP (People's National Party) could be overjoyed by the poll findings in that the party could press for election within the accustomed five-year limit," the RECORD said of the survey.

The PNP has already made it clear that it was against Seaga using the constitutional grace period, but some analysts here suggest that the prime minister might want to delay the election as long as is legal in order to give his Jamaica Labour Party (JLP) time to recover as much ground as possible.

In April respected pollster, Carl Stone, found the PNP with a 48 per cent support among voters with the JLP having 35 per cent. If an election were held at that time, the PNP would have got nearly 58 per cent of the popular vote and up to 45 of the 60 seats in the House of Representatives.

However, a new poll by Stone, whose findings are now being published by the DAILY GLEANER, shows that the JLP had made gains in western Jamaica, although the PNP remained comfortably ahead in that region.

On the other hand the PNP has made small gains in the central region, expanding its lead over the JLP.

Findings still to be published will indicate that the JLP has made gains in Kingston, with the PNP advancing in the east.

The RECORD said of its poll that the finding that March next year was the most popular single month for holding the election—despite the fact that the majority wants it to be in December—could be a boost for the JLP.

"(It) could provide the party with an assurance that a late election might not be as bad as it appears on the surface," the paper said.

Trinidad and Tobago

Former, Current NAR Ministers in Verbal Clash

FL2707162188 Bridgetown CANA in English 1610 GMT 27 Jul 88

[Excerpt] Port-of-Spain, Trinidad, July 27, CANA—Dismissed foreign affairs minister, Basdeo Panday, on Tuesday clashed with food production minister, Lincoln Myers—their second clash in central Trinidad in two months.

Panday, still deputy political leader of the ruling National Alliance for reconstruction (NAR) but suspended from action pending disciplinary charges, said at a central Trinidad council meeting that his supporters would continue to speak at all public ceremonies where Government ministers appear.

"We will not take this sitting down. Wherever you and your colleagues appear, we will turn up and speak," Panday told a Caroni County council meeting attended by Myers.

Panday refused to take part in government's decentralisation and agricultural plans in the area.

Describing the whole exercise as futile, Panday, kicked out from Cabinet in February after he criticised the Government, said, "we will not participate in our own denigration. They haven't considered what we want... The majority of people in this country will not participate in their own denigration."

Panday spoke out for about twenty minutes, accusing Myers of being dishonest. He repeated calls for the Government to resign.

"As far as this ministry and this minister is concerned, he has one aim and that is the development of agriculture. It doesn't matter to me one bit whether you, as an individual, believe that or not," Myers said in his address.

"It is really inconsequential."

"I will pursue my activities and mandate so long as I am in that office. What happens after, that's another matter."

"But so long as I have that responsibility, I will pursue it relentlessly no matter who tries to stand in my way, you included," Myers said.

Referring to Panday as "the honorable gentlemen", Myers put down Panday's claim of having introduced him to politics, stating that he had got to his current position by hard work.

Myers added that the former party to which he had belonged had also moved into Panday's central Trinidad political base to save Panday when he had been "crumbling".

Caroni County Council Chairman, Vishnu Tikasingh, also Panday's nephew, finally adjourned the well attended meeting as it appeared to be developing into a verbal battle between the two members of the NAR hierarchy. [passage omitted]

Government Rejects C.A. Talks Without Nicaragua

PA3107013388 Buenos Aires REUTER in Spanish 2250 GMT 30 Jul 88

[Excerpts] Mexico City, 30 Jul (REUTER)—Today Mexico rejected any peace negotiation for Central America that excludes Nicaragua and denounced foreign intervention which, it said, has precluded a resolution of the conflict.

A communique was issued by the Mexican foreign ministry 2 days before U.S. Secretary of State George Shultz is supposed to meet with four Central American foreign ministers in Guatemala.

The communique says: "The Mexican Government emnphasizes it is politically necessary that none of the Central American governments be excluded from the consultations and negotiations to resolve regional conflicts." [passage omitted]

Mexican President Miguel de la Madrid told recently appointed Nicaraguan Ambassador to Mexico Rita Delia Casco Montenegro that Mexico has reasserted its firm support for Nicaragua's right to struggle for its self-determination.

The Mexican foreign ministry communique indicates it is necessary that the pledges assumed by the Central American governments at Esquipulas in August be fully implemented.

The document states: "Whenever a positive effort is exerted, such as the so-called Sapoa negotiations between the Nicaraguan Government and the counter-revolutionary forces, it is violated and boycotted by interests that still sponsor the use of force, intolerence, and repression." [passage omitted]

The communique reasserted the appeal issued last week by the Contadora Group and the Support Group urging the Central American governments to establish an independent and impartial verification mechanism that guarantees the implementation of the Esquipulas agreements.

"The principle of nonexclusion allowed some progress in the peace process, which was initiated by the Contadora Group in 1983 and reasserted at Esquipulas, and it must be respected to avoid increasing antagonisms and further polarization of the conflict," the communique adds.

Further on Statement

PA3107030888 Mexico City Red Nacional 13 Imevision Television in Spanish 0132 GMT 31 Jul 88

[Text] The Mexican Government feels that normalization of relations between the United States and Nicaragua is essential to achieving peace in Nicaragua. A statement released today by the Mexican Foreign Secretariat blames foreign intervention and the use of force and coercion for the standstill in the peace process aimed at achieving a peaceful resolution of the problems of the region.

The communique states that Mexico is worried because specific steps have not been taken to implement the agreements reached by the Central American governments during the Esquipulas, Guatemala, meeting held in August 1987. The communique adds that whenever a positive effort is exerted, such as the so-called Sapoa negotiations between the Nicaraguan Government and the counterrevolutionary forces, it is violated and boycotted by interests that still sponsor the use of force, intolerance, and repression.

In light of the aforementioned, the Mexican Government calls for the establishment of an independent and impartial verification mechanism that guarantees the implementation of the Esquipulas agreements and for the resumption of the dialogue aimed at settling pending matters in the area of security. Likewise, the Mexican Government emphasizes that it is politically necessary that none of the Central American governments be excluded from the consultations and negotiations to resolve regional conflicts.

Finance Secretariat on Public Sector Deficit

PA3007002188 Mexico City EL DIA in Spanish 26 Jul 88 p 8

[Text] The Finance and Public Credit Secretariat has reported the financial deficit of the public sector rose to over 27 trillion pesos (over $11 billion) during the 1st half of 1988.

Despite the budget adjustments and the intensification of the program to transfer parastate enterprises to the private sector, the deficit represents an increase of 174 percent over the deficit reflected during the same period in 1987.

The secretariat noted that the main factor in the deficit in public finances during the 1st half of 1988 was the payment of interest both locally and abroad, which represented 56.8 percent of total expenses.

It explained that the public sector spent 37.3 trillion pesos from January to June this year to pay local and foreign creditors. This figure is 23.1 trillion pesos higher than the amount paid during the 1st half of 1987—a 162.7-percent increase.

According to preliminary secretariat reports, expenditures during the 1st half of the year amounted to 56.8 trillion pesos; two-thirds of that was exclusively used to pay interest on the public sector's local and foreign debt.

As a result, new adjustments on public expenditures are foreseeable, because most of them are made during the last 3 months of the year. It is also probable there will be a reduction in allotments to pay debts commensurate to a decrease in interest rates.

El Salvador

Acevedo on Alleged U.S. Plan Against Nicaragua

PA3007183188 Panama City ACAN in Spanish 1617 GMT 30 Jul 88

[Text] San Salvador, 30 Jul (ACAN-EFE)—Today Salvadoran Foreign Minister Ricardo Acevedo Peralta denied that his government is supporting a Reagan administration plan to isolate Nicaragua.

Acevedo asserted to ACAN-EFE that "no document has been signed, there is no ultimatum to kick out the Nicaraguan Government's participation in the regional peacemaking process."

According to reports from Guatemala, special White House envoy Morris Busby presented an ultimatum to the Cerezo administration to forsake its neutrality policy, which would be tantamount to declaring war on Nicaragua.

According to Edmond Mulet, deputy for the Union of the National Center (UCN)—the strongest political opposition group in Guatemala—the Salvadoran and Honduran Governments "have already signed the document wherein they take a stand against the Nicaraguan Government. Costa Rica has taken no stand at this time."

During the last few days, Busby met with deputy foreign ministers of the four countries—excluding Nicaragua—to draw up the agenda for the meeting between the foreign ministers and U.S. Secretary of State George Shultz on 1 August in Guatemala.

The Salvadoran foreign minister asserted that what the Central American countries want is "to ratify the Esquipulas II peace agreements in order to receive substantial economic aid from the U.S. Government."

After the meeting with Shultz, "we will ask Nicaragua if it will comply by establishing democracy, if it will hold elections, and if it will reopen the closed media," the official said.

Acevedo said that the U.S. Government would grant "special" economic assistance to countries that comply with the peace agreements, which would not be the case with Nicaragua because it has not complied with the regional peace agreement.

Acevedo explained that Guatemala, Honduras, El Salvador, and Costa Rica prepared a draft document that will serve to ratify the Esquipulas agreements, which will result in more economic aid.

According to Acevedo Peralta, the Nicaraguan Government must prove its willingness to comply with the peace agreements.

Acevedo told ACAN-EFE that as a result of Busby's visit last week, Nicaragua will be given an ultimatum to publicly and immediately demonstrate political willingness to comply with the Esquipulas agreements.

Acevedo warned: "If Nicaragua does not take advantage of this final opportunity, we shall definitely take more severe actions, such as economic and political measures, in reprisal for Nicaragua's unwillingness to contribute to the success of the peace process."

Acevedo said that he will leave at 1400 GMT on Sunday for Guatemala, where he will take part in a meeting with foreign ministers Alfonso Cabrera (Guatemala), Carlos Lopez (Honduras), and Rodrigo Madrigal Nieto (Costa Rica).

Government, Parties Issue Joint Declaration

PA3107152588 San Salvador LA PRENSA GRAFICA in Spanish 29 Jul 88 pp 82, 83

[Joint declaration signed by President Jose Napoleon Duarte and five political parties in San Salvador on 28 July]

[Text] I. PRELIMINARY CONSIDERATIONS:

The destructive action of violence and terrorist irrationality has been demolishing our country for more than 8 years. This situation should not and must not continue. Innumerable efforts to achieve peace have been made. Unfortunately, these initiatives have never been sufficient to bring about an ideal consensus. Thus, being aware of our historical responsibility, we, as the legitimate representatives of the people, have decided together with the government to join our legal and political forces to find the path to peace.

Within this joint effort, we found basic points of consensus that will serve as a basis to draft a complete plan, with national scope, that will bring back calm to our homes, security to our institutions, and consolidate liberty and justice.

II. FRAMEWORK OF AGREEMENT

As we place national interest above any personal or partisan political interest, we declare:

a. It is undeniable that war poses a permanent threat to people who are the origin and end of state activity; we are convinced that a firm, just, and lasting peace is the aspiration and need of all Salvadorans.

b. We affirm that terrorist violence has never been and will never be the way to resolve political, social, and economic problems afflicting any society.

c. Any peace plan that is proposed or implemented must be framed strictly within the Constitution.

d. Initiatives to establish peace and end the war are, because of their nature, essentially political, and as a result, political parties are the appropriate instruments to find a complete and proper solution to the current national problem.

e. We believe in the unfaltering importance of strengthening the representative democratic process and its institutions to consolidate a political system based on liberty, participation, and justice; we also believe in an economic system offering equal opportunities within a framework of free enterprise and general well-being. These are the only bases on which to forge authentic peace in the political arena, equitable peace in society, satisfactory peace in the economy, and permanent peace in the nation's life. We must understand that incorporation in this peace process and democratic coexistence requires public and effective renunciation of any violence.

f. In its capacity as the state's only legitimate armed institution, the important role of the Armed Forces in guaranteeing, by constitutional mandate, the enforcement of laws and public security, is evident. That is why it must renew efforts always to deserve popular support to fulfill its legal duties successfully.

III. DECLARATION OF PRINCIPLES AND ACCORDS

Having set forth our points of agreement, we believe it is appropriate to formulate the following declaration of principles:

a. We believe in the united will of all and the particular ideal of each Salvadoran as the fundamental bases of social integration; therefore, we aim to maintain and strengthen the unity of democratic forces to defend the fatherland's ideals and the people's interests.

b. Peace is our primary concern, and with this in mind, we will jointly make every effort to achieve that precious gift of man and modern society, which is also the basis of social coexistence and human dignity.

c. The country's institutionality is an indispensable requirement. Its absolute inviolability and full observance are essential in maintaining a historical democratic process.

d. The proposals of nonviolent political parties and the government must meet the Salvadoran people's aspirations for peace and prosperity; therefore, its conclusions must be aimed at the citizens as a whole and not at the few who have voluntarily strayed from the legitimate paths of reason and the law and have openly and irrationally opted for the inhuman path of terrorist violence.

e. Democracy is the only political system ensuring liberty and respect for the dignity of man. Its strength lies in political pluralism, egalitarian participation, respect of the majority will of the people, and the guarantee of the rights of minorities. Its richness lies in respect for its creative initiative and the permanent improvement of its institutions.

f. The democratic process must continue in El Salvador; its dynamism must be strengthened and its mechanisms improved. Moral values must again occupy a preferential place in social life; they must be respected by all and practiced in different areas of human endeavor, in private and in public administration.

IV. FINAL CONSIDERATIONS

The search for peace must be a collective task, a national objective. This is why we view as positive any genuine effort to achieve peace by other sectors or organizations of national life; we are willing to discuss their proposals concerning the national plan as long as they do not disrupt the democratic process or constitutional order and do not hinder the freedom of Salvadorans or disrespect human rights. Peace is necessary and urgent for El Salvador but not at any price, because its existence only makes sense if it is stable, secure, and permanent.

We want peace that can be found everywhere; peace that will protect the rights of all and each one of us; peace that promotes prosperity and seeks the common good; peace that assures individual freedom; peace that promotes social justice and gives each individual the dignity that human beings deserve. We will unyieldingly struggle to achieve this peace with the firm conviction that God will give us the determination and strength to find it; that a great majority of the Salvadoran people will give us their firm support to bring this crusade of achieving calm and security for each Salvadoran to fruition. Our people must be encouraged by new hope. Those of us in democratic political parties are setting an example by reaching agreements today when the great national interest is demanding it.

This initial declaration is the first firm step toward achieving a common goal: finding peace. In keeping with this objective, we want the Salvadoran people to know in advance that after this first agreement, which constitutes firm support to further an effective search for peace, we will continue working together to formulate a national plan that will generously meet the hopes of the entire nation.

[Names of individual signatories indistinct]

Constitutional president of the Republic Salvadoran Authentic Institutional Party, PAISA; Democratic Action Party, AD; Liberation Party; Salvadoran Popular Party, PPS; Christian Democratic Party San Salvador, 28 July 1988 Culture and Communications Ministry

Assembly Issues National Emergency Law
PA3107133588 San Salvador LA PRENSA GRAFICA in Spanish 30 Jul 88 p 5

[Law on "Procedures To Decree a National State of Emergency or Law on the Militarization of Public Services in National Emergency Cases" approved by the Legislative Assembly—date not given]

[Text] The Legislative Assembly, whereas:

I. Article 221 of the Constitution of the Republic restricts militarization of civilian public services only in national emergencies;

II. It is the duty of the state by itself or through autonomous official institutions to regulate and oversee services provided by private businesses;

III. The implementation of actions affecting the normal operation of public services poses a threat to the state's stability and security of its inhabitants, because such actions progressively ruin such services—thus causing great damage to the economy, health, and well-being of the Salvadoran people—and create a state of emergency;

IV. To comply with this constitutional mandate, we must decree a permanent law designating what government organ will declare a national emergency and order the militarization of the affected civilian public service and the duration of the emergency;

Therefore:

Exercising its powers and in keeping with an initiative of the president of the Republic, through the ministers of defense and public security, public health, justice, interior, and economy, decrees the following law on procedures to decree a national emergency.

Article 1. In applying this law, according to Article 221 of the Constitution, there is a national emergency when there are serious public order disturbances caused by the interruption of, or threats to, the continuation of essential services provided to the community by the state, municipalities, official autonomous institutions, or private businesses providing those services under contract.

Article 2. Via a decree, the Legislative Assembly is empowered to declare a national emergency by request of the president of the Republic in compliance with the agreement of the Council of Ministers.

If the Legislative Assembly is not in session, the Council of Ministers will be empowered to declare a national emergency and must inform the legislative branch afterward.

Article 3. The Legislative Assembly decree declaring a national state of emergency will include the corresponding provision ordering the militarization of the service or services that have been interrupted or whose continuation is threatened.

Article 4. As a result of the militarization of a public service, Armed Forces members who become its administrators and employees will be relieved [causaran alta] and subjected to the laws regulating it and will carry out their duties in the place designated by the Defense and Public Security Ministry.

The above is applicable to businesses and their workers who help provide a public service or reestablish its continuation under contract.

Guatemala

Cerezo To Maintain 'Active Neutrality' in C.A.

PA3007210288 Panama City ACAN in Spanish 1922 GMT 30 Jul 88

[Text] Guatemala City, 30 Jul (ACAN-EFE)—Today Guatemalan President Vinicio Cerezo said that he is willing to meet with the United States, but he reaffirmed his policy of "active neutrality," which "favors democracy and is opposed to war."

The president, in a radio address broadcast over Radio Nacional, TGW, said that "even though we have been feeling somewhat alone in the discussions of Central American policy, we intend to maintain active neutrality."

Cerezo added: "We believe Guatemala should support Esquipulas II principles and not favor certain countries or political positions."

Cerezo reiterated that "we are in favor of democracy and we are against war; this is the active neutrality policy we maintain."

Regarding the meeting of Central American foreign ministers—with the exception of Nicaragua—with Mr Shultz, Cerezo said: "We are friends of the United States."

U.S. Secretary of State George Shultz will meet on 1 August in this capital with the foreign ministers of Guatemala, Honduras, El Salvador, and Costa Rica to analyze Nicaragua's noncompliance with the Esquipulas II and Sapoa peace agreements—this according to the U.S. viewpoint.

The Guatemalan president stressed: "If we had refused to meet with the United States we would forfeit our position of active neutrality and would be biased toward Nicaragua and the USSR."

Cerezo said: "Just like Nicaragua meets with the USSR and with Don Fidel (Castro), we can meet with anyone, especially with the secretary of state of a country that is Guatemala's friend."

Cerezo concluded by pointing out that the United States does not want to meet with Nicaragua, adding that "they [not further identified] are the ones who have the problem." He added that therefore "we (Guatemala) have no problems with the U.S. Government, and, in the future, we shall encourage a meeting in which Nicaragua takes part."

Deputy on U.S. 'Pressure,' Shultz Trip

PA2907210988 Guatemala City Radio Nuevo Mundo in Spanish 1800 GMT 29 Jul 88

[Interview with Edmond Mulet, member of the Congress Foreign Affairs Commission, by Blanca Rosa Gonzalez at the Congress building in Guatemala City—live]

[Excerpts] [Mulet] We are at the Congress building meeting with a group of friendly reporters. We are advising them of several things that began happening on Tuesday and that are very important for our country.

Morris Busby, U.S. roving ambassador to Central America, visited our country on Tuesday, bringing with him a draft joint declaration for our government to study. This joint declaration is to be signed on Monday by U.S. Secretary of State George Shultz and the four Central American foreign ministers, excluding the Nicaraguan foreign minister, who will be meeting in Guatemala City on 1 August.

The Guatemalan Foreign Ministry has studied the document and rejected it because it represents a virtual declaration of war by the Central American countries against Nicaragua. The document also demands that Guatemala abandon its policy of neutrality and become involved in the Central American conflict. Guatemala presented an alternate document that could be signed (?in Guatemala) on 1 August; however, Ambassador Morris Busby rejected Guatemala's proposal and said that if Guatemala did not sign the document just as he had presented it, the consequences would not be good for the country.

The Guatemalan Government discussed this matter with the defense minister and the Armed Forces High Command. The government and the opposition parties agree that at this time we cannot accept this kind of pressure.

[Gonzalez] Mr Mulet, it is being said that Shultz may try to pressure us during his visit to our country. It is said that he is coming with his pockets full of dollars. What do you think about that?

[Mulet] I have heard that the United States is not only exerting political but economic pressures. The United States is willing to pay part of the Guatemalan foreign debt, stabilize the quetzal, give the Guatemalan Army military aid—give them spare parts and training—and assist in the country's development plans if Guatemala sets aside its policy of neutrality and becomes involved in the Central American conflict. I feel that the Guatemalan people should let the government know that we refuse to be bought in this way. [passage omitted]

[Gonzalez] What do you think could happen to our country with regard to Busby's veiled threats?

[Mulet] I think that these are desperate U.S. Government actions. There are general elections coming up in the United States. On 4 November, they will elect a new president. I do not believe that the Guatemalan people should be frightened by these pressures. They are just that: pressures. I do not believe that they will have a chance to exert these pressures. All we must do is be patient and wait until the end of the year. By then the whole picture will be much clearer.

[Gonzalez] Thank you, Mr Mulet.

Nicaragua

Ortega Urges 'Dignity' During Shultz Tour

PA0108025588 Panama City ACAN in Spanish 1847 GMT 31 Jul 88

[Text] Managua, 31 Jul (ACAN-EFE)—Today Nicaraguan President Daniel Ortega urged the Central American government leaders to "act with dignity and firmness" with regard to the United States, which will try to pressure them to support the war against Nicaragua.

In a ceremony to unveil a plaque on the occasion of the seventh anniversary of the death of Panamanian General Omar Torrijos, Daniel Ortega said that when the Central American presidents meet with U.S. Secretary of State George Shultz, they should "respond with due dignity and firmness" so that they do not allow themselves to be led toward the U.S. "warmongering policy."

On Monday, U.S. Secretary of State George Shultz begins a 10-day tour of Central American and South American countries. According to the Sandinists, Shultz will be pressuring the presidents, especially those of Central America, to support the U.S. policy in the region.

The Managua government believes that the United States is looking for a way to obtain congressional approval for a resumption of military aid to the rebels, who in recent months have increased their attacks on the Sandinists.

Ortega said that the United States is trying to "escalate the war in Central America, something that would have repercussions in all the countries" of the region.

The ceremony, which was held in the Nonaligned Plaza in front of the presidential house in Managua, was attended by Panamanian Housing Minister Ricardo Bermudez, who headed his country's high-level delegation, and Nicaraguan Interior Minister Tomas Borge.

Ortega Speaks to U.S. 'Veterans for Peace'

PA2907221588 Managua Radio Sandino in Spanish 1930 GMT 29 Jul 88

[Statement by President Daniel Ortega to the U.S. Veterans for Peace at Luis Alfonso Velasquez Park in Managua on 29 July—recorded in Spanish with passage-by-passage translation into English; monitored in progress]

[Text] Reagan, Abrams, Shultz, and all the people who think only about doing evil things to the Nicaraguan people, and congressmen such as Dole, who are trying to get more funds

to continue killing the Nicaraguan people, are all committing a crime not just against the Nicaraguan people but also against the American people themselves. Why? Because the American people do not support the policy of death against the Nicaraguan people.

While the Veterans for Peace organized themselves and worked to bring some aid to the Nicaraguan people and children, and while Reagan kept sending weapons to the contras to murder our children, Reagan tried to obstruct the veterans so they could not leave the United States with the cargo of aid for the Nicaraguan children. He threatened them and threw them in jail, and the police beat them up with clubs. He also said the cargo they were bringing threatened the security of the United States. This is what they brought, these are the weapons they have brought.

Bring that little box here. Bring it so one can see the weapons they have brought. Look at the weapons they have brought. They have brought milk bottles for the Nicaraguan children. This is what Reagan wanted to deny Nicaraguan children. Reagan would rather see bullets, mines, and bombs reach the Nicaraguan children.

He was blocking this humanitarian aid. This is humanitarian aid, not the aid Reagan insists on giving to the contras. This aid will really contribute to the well-being of Nicaraguan children. Look at this weapon; it is ready for firing. [applause] All it lacks is a little milk and a little chilling. Here is the weapon. These are the weapons the veterans have brought.

It is unbelievable; if we told this story elsewhere, they would say we made it up, that it is not true that the U.S. Government tried to prevent this aid from coming to Nicaragua for our children. No one would have believed this was considered a threat to U.S. security. But it is true. That is how far the criminal craziness of the U.S. Administration goes.

They meet with the contras, with the so-called contra Directorate, to continue planning the death of the Nicaraguan people. They do not meet with the contras to see how they can bring a little well-being to the Nicaraguan children and people. They only meet to plan the death of more children, women, and youth; that is why Reagan decided that the former National Guardsman known as Enrique Bermudez should head the contras. Reagan has always been a Somozist.

Before 1979, when Reagan was a governor, Reagan was a Somozist; as a governor he defended Somoza. Now Reagan places a Somozist guardsman at head of the contras. Since he can not put Somoza there, because Somoza is dead, he puts a Somozist there. They are discussing ways to continue waging war against Nicaragua. They are exerting pressures against Central American governments to approve that type of terrorist policy against Nicaragua. However, on the other hand, we have the American people, who want peace and who are against Reagan's criminal policy. We also have the Latin American people and the Central American people, who want peace. We are sure peace will become a reality sooner or later, because it is a right that the Nicaraguan people have won. [applause] In this struggle for peace that rests on the struggles of the Nicaraguan people, we have to recognize the sacrifices made by the American people. We must remember the example and heroism of Benjamin Linder. We must remember the example and heroism of Brian Willson. We must remember the example and heroism of the fighters for peace who decided to run risks before the Reagan administration to bring this aid to the Nicaraguan people. Thank you very much, American brothers. Peace will have to win. [applause]

Ramirez on Vice Presidents' Talks in Guatemala
PA3007152688 Managua Radio Sandino in Spanish 1215 GMT 30 Jul 88

[Report on interview with Vice President Sergio Ramirez Mercado by unidentified reporter—date and place not given]

[Text] Last night Nicaraguan Vice President Sergio Ramirez Mercado returned from Guatemala, where he participated with the other Central American vice presidents and economic ministers in a review of cooperative economic projects with the United Nations and the EEC and of financial cooperation offered by those organizations. He remarked that the meeting demonstrated that the five Central American nations are capable of meeting and discussing their common problems, despite persistent U.S. Government manipulation.

[Begin recording] [Ramirez] I believe this meeting was very important in demonstrating that despite U.S. Government scheming and maneuvers, the Central American governments are capable of meeting without discrimination and, in a few days of intense work, of resolving the divisive problems among the area countries [words indistinct] dedicated to international problems [words indistinct]. There was a final declaration of the vice presidents meeting in which the Central American vice presidents clearly declared support for the Esquipulas peace process and for the appropriateness of the Esquipulas agreements as the basis for these negotiations.

I consider it very important, in light of the U.S. Government maneuvers I just mentioned, that relations... [changes thought] at the meeting Mr Shultz will have with four of the Central American foreign ministers in Guatemala. [sentence as heard] In Guatemala, I observed the continuing deterioration of prospects for this meeting between Shultz and the foreign ministers. We know that the U.S. Government is pressuring the Central American nations to sign a declaration that would consist of a belligerent resolution against Nicaragua.

However, some governments have already refused to go along with this maneuver. The Guatemalan Government has declared that it will maintain its policy of neutrality. We know that the Salvadoran Government is not going to sign

any declaration of this kind. Therefore, we can see that there are Central American nations that are working against the U.S. manipulations that are attempting to promote a violent solution to Central American problems that would benefit U.S. interests. We are seeing how this peace process is advancing; we are therefore satisfied with the results of the vice presidents' meeting.

We have agreed to hold the next vice presidents' meeting in San Salvador in mid-August to continue discussing international cooperation agreements. The vice presidents also discussed the presidential summit that should be held at the end of August in San Salvador. We all agreed that [words indistinct] to continue promoting the Esquipulas peace process.

[Reporter] Yesterday Commander Daniel [Ortega] sent a letter to the Costa Rican president. Did you discuss this?

[Ramirez] Yes, I took this into consideration, but I am satisfied that the vice presidents' declaration supporting the Esquipulas agreements clearly states that the Esquipulas peace process is an open process that should be continued, that all the Central American nations are obliged to comply with the Esquipulas process. This is consistent with the Nicaraguan position expressed by President Ortega.

[Reporter] Did you reach any economic agreements?

[Ramirez] Well, Mr Ocampo [words indistinct] of the United Nations was present. We discussed with him the bases of cooperation with the United Nations. A high-ranking EEC delegate was also present. We will continue reviewing this in San Salvador. [end recording]

D'Escoto Protest to Honduras on Attacks

PA3007022488 Managua EL NUEVO DIARIO in Spanish 29 Jul 88 p 12

[Text] The Nicaraguan Government has asked the Honduran Government to order a thorough investigation and to punish and court-martial the Honduran military officers involved in joint attacks carried out by the counterrevolutionary forces and Honduran Armed Forces against Nicaraguan communities.

The Nicaraguan demand was sent by Foreign Minister Miguel D'Escoto Brockman to Honduran Foreign Secretary Carlos Lopez Contreras to protest the Honduran Armed Forces' participation in the harassment and conscription of Indians into the contra forces.

Father D'Escoto's letter to Lopez Contreras referred to the attacks on Nicaraguan communities in the sectors of San Carlos, Pranza, and Bilwaskarma, which occurred during the first half of July. The letter said the attacks sabotage the Central American peace efforts.

D'Escoto also said that the conscription, which was reported by Elasio Holmes and Jorge Hoppington, Miskito members of KISAN [Unity of the Nicaraguan Atlantic Coast Indigenous Peoples] for Peace, Autonomy, and Development during a news conference on 25 July, violates the most elemental human rights.

The strongly worded note demanded a halt to the conscriptions at the Andres Tara, Siksayani, Raiti, Asan, Krasa, Santa Isabel, Pimienta, and Bilalmuk refugee camps. It also demanded a halt to violations of the most elemental human rights, particularly in regard to the life and physical welfare of Heraldo Chow Molina and his family and insisted upon their immediate release.

The minister announced that a copy of the letter would be sent to the UN High Commissioner for Refugees.

Envoy Vows To Continue as OAS Representative

PA3007154788 Managua Radio Sandino in Spanish 1221 GMT 30 Jul 88

[Text] Carlos Tunnermann, former Nicaraguan ambassador to the United States, said that despite the U.S. authorities' refusal to grant him a visa, he will continue to represent Nicaragua at the OAS. He added that although he cannot enter the United States, he will attend all OAS meetings scheduled outside the United States. Tunnermann pointed out that the Nicaraguan Government has appealed to the Inter-American Juridical Committee and is awaiting a resolution. He added that Nicaragua will accept its decision, whatever it may be.

Tunnermann conceded that there is little likelihood of an agreement between Nicaragua and the United States in the time left in President Reagan's term. Reagan's policy has an emotional and personal basis and will continue while he is in office, Tunnermann said. He explained that there is little likelihood of improved relations.

LA PRENSA Editorial on 'Arbitrary' Closure

PA2907164788 Managua LA PRENSA in Spanish 27 Jul 88 pp 9, 10

[Editorial: "An Arbitrary Resolution"]

[Text] As a result of a simple resolution from the Media Directorate, LA PRENSA was closed for 15 days.

Here is the resolution with editorial commentaries included.

Resolution: Whereas the daily LA PRENSA is maintaining its disinformation campaign through its reports and editorials, thus acting against the state's security and defense, and continues slandering government leaders, inciting violence, and calling for subversive activities against public order and for civil disobedience.

Editorial No 1

Disinformation is communist jargon meaning to mislead. One disinforms by distorting, by inventing.

Truth is distorted when facts are twisted. A fabrication takes place when something that has not happened is reported as having happened.

The above whereas refers to the Nandaime events, which did take place and were not invented. Regarding the possibility of distortion, we refer you to the telling photographs of those events. Many of those photographs were not taken by LA PRENSA's photojournalist but by international news agencies such as AP, which undoubtedly are impartial.

We have seen videos of the events. They leave no doubt about eyewitness reports—many from foreign newsmen—that the police are responsible for what happened. Besides, an editorial does not disinform. It only expresses the opinion of a newspaper, and we maintain the opinion expressed in a LA PRENSA communique informing the Nicaraguan people and the international community about the arbitrariness of the resolution ordering the 15-day closure of the newspaper. Our opinion is: A police department owned by a party cannot guarantee order when opposing parties hold political demonstrations. What happened was bound to happen and will continue to happen until the police become a national police force, that is, until the department ceases to be part of the governing party.

The part about "acting against the state's security and defense," "slandering government leaders," and "calling for subversive activities against public order" represents variations of the same basic idea. These variations are used to hide the truth about the unjust punishment.

We were punished because of the people's success in Nandaime. They punished the organizers with time in prison, invented the Melton plan, and expelled the U.S. ambassador. "You cannot fool the people all the time," and, as people have been wisely saying lately, when the people are mobilized, the nine [FSLN commanders] are terrified!

II [no No I as published]

Whereas LA PRENSA has not complied with the social responsibility the media has to be truthful and coherent in its reports, to defend the revolution's achievements, and not to serve as tools of antipopular interests.

Editorial No 2

As will be noted, this whereas is an attack on syntax. If anyone could be accused of a lack of coherence, it is the Media Directorate. LA PRENSA has always been coherent in its defense of the people's interests. This means that it has been coherent in its defense of the true Nicaraguan revolution, which, at the beginning, represented a hope and a promise, but now, 9 years later, has come to represent the vanguard and its interests and whims.

Any criticism against the vanguard has now become criticism against the revolution because of the strange phenomenon of political transformation that has taken place here.

According to the mentality of the news gendarmes, reports that praise the government are truthful and those that do not, such as the reports on the Nandaime incidents, are not truthful.

Only in this context of incoherence and even stupidity can one understand the measures recently adopted by the vanguard, which have stunned even its foreign sympathizers.

Therefore, based on Article 46 of the Media Law, the Interior Ministry

III

Resolves:

To suspend publication of LA PRENSA for 15 days beginning on the date of this resolution.

Editorial No 3

Even law students know that the Media Law and therefore its provisions—drafted before the Constitution and restricting the "unrestrained freedom of the press," enshrined and proclaimed by the Constitution—were abrogated by the Constitution.

A sense of legal honesty should compel law enforcement authorities not to use these abrogated legal instruments, taking advantage of the fact that citizens are defenseless, because there is no writ of habeas corpus due to the law's unconstitutionality.

To the contrary, this legal remedy was not established to allow further arbitrary action. This is a case of authority being used against the citizens, of using illegal force, of the police taking actions against the people—in other words, we are referring to Nandaime!

The Constitution also enshrines the principle of judicial branch unity. This principle is also violated by the Media Directorate which, of its own accord, without a semblance of a trial—not even an administrative police trial or the trial established by the law on Sandinist police jurisdictional functions—orders the closing of written or brodcast media, not caring about the damages or other consequences.

IV

Conclusion

As you know, you can appeal the present resolution, the one who handed down the sentence says sarcastically.

Final Editorial

Appeal before whom? Before the president of the Republic who, as foremost administrative authority, gave the order to close LA PRENSA to the interior minister, who in turn gave it to his subordinate, the media director?

"This would be like playing the fool" our martyr director [Pedro Joaquin Chamorro] said in a similar situation, when he was advised to appeal to Somoza against an order issued by Somoza himself. What does it mean to play the fool, people asked him, and he said: "to play the fool."

LA PRENSA on Suspension of Radio Newscast

PA3007192488 Managua LA PRENSA in Spanish 28 Jul 88 p 2

[Unattributed article: "The Case of 'The Awakening' Newscast"]

[Text] The Sandinist government's decision to suspend "The Awakening" [El Despertar] radio newscast based on that newscast's coverage of the 14 July OAS debate on the expulsion of Ambassador Tunnermann from the United States demonstrated that the government has sunk to an unbelievably primitive level.

What was bothering the Sandinist government? Did "The Awakening" newscast applaud Tunnermann's expulsion? Or did the newscast only report statements made by the U.S. representative and disregard everything the Sandinist ambassador said?

Nothing of the sort. In its 15 July broadcast, "The Awakening" broadcast the most crucial parts of statements made by the two main speakers in the debate.

If broadcasting OAS debates has become a crime, the Sandinists' intolerance of freedom of expression has reached a very low level.

The case of the aforementioned newscast, however, includes an aggravating circumstance: The recordings broadcast by "The Awakening" were taken from a report broadcast by Radio Sandino, according to the director of "The Awakening."

This definitely confirms the government's unsound conception of justice and legality. What is good for some is bad for others. In other words, the Sandinists do not recognize the principle of equality before the law.

The newscast suspended by the Media Directorate was fulfilling its duty to present objective information. It broadcast what both the Nicaraguan and the U.S. diplomats said. Why, since Radio Sandino had broadcast that same report before, was only "The Awakening" newscast suspended?

It is certainly clear that we are not encouraging the closing of any communication media, but we are providing evidence of the arbitrariness of the so-called Sandinist system of justice.

Panama

Reaction to U.S. Anti-Noriega 'Covert Actions'

UN Ambassador

PA2907175888 Panama City Domestic Service in Spanish 1655 GMT 29 Jul 88

[Text] Yesterday Leonardo Kam, Panamanian ambassador to the United Nations, firmly condemned the covert actions U.S. President Ronald Reagan has approved to try to oust General Manuel Antonio Noriega.

Kam also condemned all the forms of aggression the U.S. Government is using against Panama. Kam added that this violates international law and negates civilized relations between states. The Panamanian diplomat said Washington's taking clandestine actions against Panama is not new. There is something new, however, Kam said, in that these activities have officially been sanctioned by President Reagan.

Ambassador Kam said this new package of covert actions reveals the Reagan administration's desperation because of the failure of its attempt to bend Gen Noriega's patriotic, nationalist position.

Reagan's 'Insanity'

PA2907153688 Panama City CRITICA in Spanish 29 Jul 88 p 4

[Editorial: "Torrijist Unity Facing Reagan's Insanity"]

[Text] The international public is astonished by a statement made by the U.S. President in reply to a question from a Yankee reporter who mockingly asked him about plans to kidnap or eliminate—"uproot" was the term used—General of Dignity [General de la Dignidad] Manuel Antonio Noriega from his native and permanent homeland. We say this caused astonishment, because the only reply from a responsible and sensible head of state to such a question should be: "No! We will not play with the lives of other countries' leaders." However, heading the Yankee state is a group who excel in disrespecting the dignity and integrity of other nations, cultures, and peoples. Despite its extraordinary development and material progress, U.S. leaders do not care to handle seriously or tactfully their delicate relations with the other peoples on earth whose culture, mentality, and beliefs may differ from those of the Yankee empire. Yankee leaders show the clumsiness of a mad buffalo kicking wildly inside a china shop.

In any other place or country a president would have replied with strong indignation to such a monstruous and provocative question, because international relations are not based on criminal actions or kidnappings. However, Mr Reagan simply said that "he could not talk about secret agreements on security." His reply showed absolute crassness, and the peoples of the world are

wondering: Since when is the world a U.S.-owned property and since when have U.S. Presidents had the dubious right to regard as security matters the democratic steps and actions of other leaders? Therefore, in view of the madness that seems to be escalating in Reaganite minds, the Torrijist unity will be our shield to resist any outrageous attempt against the life of our military leader.

Reagan Examination Urged

PA2907200888 Panama City MATUTINO in Spanish 29 Jul 88 p 4

[Editorial: "Ronald Reagan's Final Days"]

[Text] Inevitably and inexorably, time has been weighing down on the head of U.S. President Ronald Reagan and has added to his condemnation. Time represents a final sentence and an unbearable chastisement when it presses on somebody who must bear the heavy burden of his impure conscience in addition to the burden of his years.

This small citizen of a great nation could well have crowned his many years with the unique honor of having presided over the government of the most powerful nation on earth. However, instead of a serene and venerable old age, he chose senilely to regard himself as lord and master of the destinies of all peoples on earth. Standing on the false cloud of his equally false power to rule above all things, he fanned the fires of some wars, financed others, planted unrest where peace reigned before, sowed seeds of enmity in lands that were always friendly to his people, and breached commitments and treaties even when such treaties were equivalent to a binding legal commitment to the signing parties.

Not quite happy with such actions, this prototype of paranoid insanity has disobeyed his Congress again and again, supported the terrorists he promised to fight, helped those whom Congress refused to help, and jeopardized his country's honor with large-scale criminal actions, such as shooting down an airliner. As the result of his insane blindness, 290 human lives were wiped out.

The only excuse that Mr Reagan has offered so far is his forgetfulness (very convenient or heaven-sent, as the case may be) that fogs his brain when delicate questions are asked of him. This is a convenient forgetfulness to hide behind. This is a blessed amnesia if nature is truly generous and lets him forget what he does, because, should he spend the time to remember and analyze things thoroughly, his heart would surely not be able to bear the weight of so many worries caused by so many complex guilty actions.

Now that his days are coming to an end (we are speaking of his days as president), he has announced that in the next 30 days—the countdown began yesterday—he will finish off General Noriega and everything involved with him in Panama.

Perhaps it would be best if we just waited patiently for the next 30 days to pass and see what happens. However, common sense tells us that we must be careful and take precautions. We should begin by asking someone responsible within the U.S. Government to have that man examined by a group of doctors who specialize in treating psychopaths. We have very good doctors here in this country; we could ask two of our specialists to help him. Two other doctors could be chosen from among the U.S. people (the real U.S. people); two more doctors could be chosen from among the Sandinist doctors. Perhaps two more doctors could be chosen from among the members of the Democratic Party, one a Dukakis supporter and the other a Jackson supporter.

The world would be satisfied with the results of an examination performed by such a group. However, before any of this is done, and since he is a highly dangerous patient, it would be a good idea to put him in a straitjacket.

Canal Commission Agreements To Be Contested

PA3107015888 Panama City Televisora Nacional in Spanish 2327 GMT 30 Jul 88

[Text] Today Carlos Ozores, Panamanian member of the Panama Canal Commission [PCC] Board of Directors, said that Panama will contest all agreements signed by the U.S. members of the board in the United States. Ozores said that these agreements are in violation of the Torrijos-Carter treaties.

[Begin Ozores recording] The U.S. members of the PCC Board of Directors recently held a meeting in Savannah, Georgia. We consider this meeting to be another violation of the treaties because the treaties clearly state that meetings can only be held if there is a majority of U.S. members present. This implies that Panamanian members must be present. The fact the treaties established a bi-national Board of Directors means that there must be Panamanian participation at all meetings.

Originally, the meeting was scheduled to be held in Panama. The United States has mixed politics with Panama Canal affairs and we oppose this. Therefore, we are going to contest the results of the recent meeting because there were no Panamanians present. They invited Juancho [Juan B.] Sosa to the meeting, and this is proof that they mixed politics in the management of the canal. The United States recognizes Juan Sosa as the Panamanian ambassador to the United States; however, Sosa does not represent Solis Palma's government in the United States. [end recording]

Argentina

Alfonsin Meets Tanzanian Foreign Minister

PY2907185488 Buenos Aires TELAM in Spanish 1511 GMT 29 Jul 88

[Text] This morning President Raul Alfonsin and visiting Tanzanian Foreign Minister Benjamin Mkapa met to analyze the situation of their respective foreign debts and the steps taken by each country to negotiate them.

The meeting took place at the Olivos residence, where Alfonsin spent the day. Foreign Minister Dante Caputo attended the meeting and later spoke to reporters.

Caputo recalled Alfonsins relations' with former Tanzanian President Julius Nyerere within the framework of the Group of Six. The efforts of this group, on behalf of world peace, were also discussed.

To Meet Ugandan Minister

PY2907191588 Buenos Aires TELAM in Spanish 1529 GMT 29 Jul 88

[Text] Buenos Aires, 29 Jul (TELAM)—Today Ugandan Foreign Minister Paul Ssemogerere arrived in Argentina at 1130.

Ssemogerere, his wife, and an assistant were received by Foreign Ministry officials at Ezeiza International Airport.

Ssemogerere will meet first with his Argentine counterpart Dante Caputo, and later in the afternoon will be received by President Raul Alfonsin at the Olivos Residence.

Brodersohn, Machinea Return From U.S.

PY3107221488 Buenos Aires DYN in Spanish 1808 GMT 31 Jul 88

[Excerpt] Buenos Aires, 31 Jul (DYN)—Finance Secretary Mario Brodersohn and Central Bank President Jose Luis Machinea returned from the United States this afternoon after signing a new "stand-by" [preceding word in English] agreement with the IMF worth $1.25 billion.

The two officials arrived at Ezeiza International Airport at 1430 and left the airport under strict security measures that prevented reporters from speaking to them.

According to Economy Ministry officials at the airport, Brodersohn and Machinea were scheduled to meet with the president after stopping at their homes. The meeting was scheduled to take place at the Olivos residence. [passage omitted]

Economic Officials To Discuss Measures

PY3107222888 Buenos Aires TELAM in Spanish 2000 GMT 31 Jul 88

[Text] Buenos Aires, 31 Jul (TELAM)—Economy Minister Juan Sourrouille, Finance Secretary Mario Brodersohn, and Secretary of Economic Policy Jose Gandara joined a meeting of Central Bank officials at the Central Bank shortly after 1630 today. The officials were to analyze the final changes of the upcoming government implemented economic measures.

Central Bank President Jose Luis Machinea will head the meeting in the Central Bank's board of directors room. The meeting began just minutes after 1600 in complete secrecy.

The economic authorities arrived in their own cars and refused to make any comments.

Spokesman on Economic Plans

PY3107233388 Buenos Aires DYN in Spanish 2238 GMT 31 Jul 88

[Text] Buenos Aires, 31 Jul (DYN)—Today presidential spokesman Jose Ignacio Lopez said that the economic plan which is about to be launched by the government is "a declaration of war against inflation." Lopez added that tomorrow the government "might make some announcements" about "a rigorous austerity program in the public administration and state enterprises."

Before entering the Olivos residence, Lopez said the program is based on "a strong reduction of spending and the rationalization of investments" in the state sphere in order to allow a "new policy on utility rates based on a great state effort through a strict austerity program."

Lopez denied the possibility of a price and salary freeze and said the government will instead promote an agreement with the private sector to create an anti-inflationary effect" [quotation mark as received] on the economy.

Lopez added that the announcement of the exchange policy reform will be delayed "until 1 or 2 August."

Deputy Confirms 1-2 Aug Bank Holiday Order

PY3107213188 Buenos Aires TELAM in Spanish 1538 GMT 31 Jul 88

[Text] Buenos Aires, 31 Jul (TELAM)—At noon today, Cesar Haroslavsky, UCR leader in the Chamber of Deputies, confirmed that the government has ordered bank holidays for 1 and 2 August.

Jaroslavsky said this at the conclusion of a meeting with the president at the Olivos residence. Economy Minister Juan Sourrouille, Foreign Minister Dante Caputo, and other legislators also attended the meeting in order to analyze the economic measures the national government intends to implement.

17 Army Officers Relieved of Command

PY3007200288 Buenos Aires TELAM in Spanish 0101 GMT 30 Jul 88

[Text] Buenos Aires, 29 Jul (TELAM)—Army Chief of Staff General Jose Caridi has relieved 17 Army officers of their commands pending further assignment due to their ties with the so-called Aldo Rico group. The ranks of those affected range from lieutenant colonel to first lieutenant, all of them served in units in the Cordoba province. Reliable military sources reveal that those affected by the measure are: Lieutenant Colonels Carlos Gonzalez, Jorge di Pasquale, Alberto Jaime Ruth, and Enrique Ruth; Majors Eduardo Jordan, Danilo Campos, Jorge Fox, Osvaldo Varcellotti, and Victor Veloso; Captains Miguel Macchi, Alejandro Candia, Ricardo Ballestino, Marcos Alvarez, and Jorge Offani; and First Lieutenant Enrique di Patti, Alfredo Luque, and Jorge Arce.

Caridi Cites Engineering Corp's Dedication

PY3007195688 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1350 GMT 30 Jul 88

[Excerpt] Buenos Aires, 30 Jul (NA)—Army Chief of Staff General Dante Caridi once again lauded the Army for its roles in the war against subversion and on the Malvinas Islands. He stressed the "dedication and efficiency of the engineering corps" in both conflicts.

Caridi said: "We cannot deny the dedication and efficiency demonstrated by the force in its support of Argentine society during the subversive aggression and the Malvinas Islands war, bravely enduring harsh combat."

The Army chief of staff's message was read today during a ceremony to commemorate the engineering corps anniversary. The ceremony took place in the Army engineering school building and it was presided over by Army Deputy Chief of Staff General Wenceslao Abbate. [passage omitted]

Experts To Investigate Acid Rain Contamination

PY2907182288 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1525 GMT 29 Jul 88

[Quotation marks as received]

[Text] Mendoza, 29 Jul (NA)—The provincial government has ordered ecologists and scientists to investigate some environmental contamination that is similar to some produced by European acid rain which has caused great damage to important FRG agricultural regions.

Somoza [not further identified] said a Mendoza scientific center is conducting tests to determine who is responsible in case legal action is necessary.

The official said the contamination "is possibly due to sulphur eminating from one of the YPF [Government Oil Deposits] distillery chimneys. The YPF facilities were enlarged several months ago to increase production levels." Sulphur emissions react with water and humidity to produce sulfuric or sulfurous acid, which is carried by streams and rivers and damages plant and animal life," Somoza added.

This problem affects the ecology of the region and the people that breath the contaminated air; the problem "can be controlled by present day technology," the official said.

Political Groups Reject Chilean Extradition

PY2907230388 Buenos Aires CLARIN in Spanish 29 Jul 88 p 10

[Paid advertisement: "With the Chilean People"]

[Text] The extradition request by the Pinochet dictatorship for the arrested Chilean citizens has been made public.

The Pinochet tyranny usurped power after overthrowing a legitimate government. It consolidated power using brutal methods. It has been internationally condemned for genocide, forced disappearances, murder, torture, and other aberrant crimes like the murder of General Prats in Argentina.

The people listed below strongly oppose the extradition request submitted by an illegitimate and usurping regime through military prosecutor Torres, who is a recognized violator of human rights.

We support the legitimate struggle of the Chilean people for democracy and freedom. This feeling of the Argentine people is expressed by the national Congress in a resolution against the death penalty, which is pending on several Chilean youths in that country.

As Argentines, we assume the right and duty to continue to exercise our traditional solidarity commitment with the people who are struggling against dictatorships, and for democracy and freedom.

National Legislators:

Justicialist Party: Julio Badran, Antonio Bonifasi, Ruben Cardozo, Eduardo Ceballos, Julio Corzo, Miguel D'Alesandro, Hector H. Dalmau, Jose Manuel de la Sota, Roberto Digon, Oscar Fappiano, Oscar Lamberta, Jorge Matzkin, Jose Carlos Ramos, Humberto Roggero, Olga Riutort, Carlos Soria, Eduardo Vacca, and Claudio Mendoza.

Intransigent Party: Oscar Alende, Jose Aramburu, Luis Manrique, Miguel Montserrat, and Raul Rabanaque Caballero.

Christian Democratic Party: Alberto Aramouni.

United Socialist Party: Simon Lazara.

Leaders of political parties: PJ [Justicialist Party]: Jacinto Gaibur (National Council operations secretary), Jorge Arguello (president of the Councilmens bloc of the federal capital), Cesar Cargagno, Miguel Unamuno, Alfredo Carballeda, and Carlos Holubica. UCR: Hugo Piucill (former national deputy), Aldo Tessio (presidential advisor). PI [Intransigent Party]: Juan Carlos Leno and Eugenio Semino Semino. DC [Christian Democratic Party]: Otelo Zamponi. PC [Communist Party]: Athos Fava and Patricio Echegaray, FRAL [Broad Front for Liberation]. MAS [Movement Toward Socialism]: Luis Zamora, Marcelo Parrilli, and Silvia Diaz. MTP [Peronist Workers Movement]: Antonio Puigjane, and Jorge Banos. PRI [not further identified]: Lisandro Viale (FRAL). IDEPO [not further identified]: Colonel Nestor Vicente, retired, Luis Cesar Perlinger, and Eduardo Duhalde (FRAL). MODEPA [not further identified]: Eduardo Hernandez (FRAL). ML 29 May [29 May Liberation Movement]: Carlos Vicente. CPL [not further identified]: Humberto Tumini (FRAL). PDV [not further identified: Mario Aguirre (FRAL). MIR [Movement of the Revolutionary Left]: Antonio de la Vega (FRAL). PS 1 May [1 May Socialist Party]: David Tieffenberg (FRAL). PNR [not further identified]: Victor Filipetti (FRAL). PH [Humanist Party]: Luis Amman, Alicia Blanco, and Luis Milani. PL [Labor Party]: Mario Geller. MP 26 July [26 July Peronist Movement]: J.C. Scarpatti.

Human Rights Organizations:

Grandmothers of Plaza de Mayo; LADH-CELS [Argentine League for Human Rights-Center for Legal and Social Studies]; Relatives of Detainees and Missing for Political Reasons; Mothers of Plaza de Mayo; Movement of Jews for Human Rights; American Association of Jurists (Argentine branch).

SAP [not further identified]: Pastor Anibal Sicardi, Pastor Jose de Luca, Eduardo Salerno, Silvio Schachter, Carlos Girotti, Enrique Nadal, Leonel Urbano, and Marcelo Arbit.

Bolivia

Paz Orders Armed Forces Budget Priority

PY3007134688 La Paz EL DIARIO in Spanish 19 Jul 88 p 1

[Excerpt] President Victor Paz Estenssoro has ordered the finance minister to give priority to budget allocations assigned to the Armed Forces.

Yesterday the president met with the Armed Forces commander to discuss the congressional decision to reduce their budget allocation. The approved funds will not be sufficient to cover the needs of the Armed Forces.

At the end of the meeting, General Jorge Rodriguez Bravo, Bolivian Armed Forces commander in chief, said the president understood their concern and, as a first measure to help their sector, has ordered the Finance Ministry to pay the funds allocated to the Armed Forces without delay. Gen Rodriguez deplored the congressional reduction of the Armed Forces budget to 204 million bolivianos. Rodriguez said the situation would be even worse if the payment of the funds were subjected to delays, and he said that he asked the president to issue clear instructions to the ministry to deliver the funds on time.

Defense Minister Alfonso Revollo said the reduction of the budget has brought about a number of problems to the Armed Forces, particularly in the control of border areas. [passage omitted]

Defense Ministry Says U.S. Aid 'Insufficient'

PY3007152888 La Paz La Red Panamericana in Spanish 1130 GMT 30 Jul 88

[Excerpts]—The U.S. Embassy in Bolivia and the Foreign Ministry are working on the schedule for U.S. Secretary of State George Shultz during his stay in Bolivia. Shultz, who will visit Bolivia during a Latin American tour, will hold meetings with Bolivian authorities to discuss bilateral issues. [passage omitted]

Foreign Minister Guillermo Bedregal Guiterrez said the Bolivian Government will make some proposals dealing with bilateral relations.

According to Defense Ministry sources, U.S. aid in the past few years has been insufficient to meet basic needs. The sources add that U.S. authorities must understand the country's economic situation and the efforts being made by the Armed Forces, government authorities, and society in general.

Shultz is scheduled to arrive in Bolivia during the first week of August.

Suarez Gomez 'Willing To Face U.S. Justice'

PY3007034388 Madrid EFE in Spanish 2001 GMT 29 Jul 88

[Text] La Paz, 29 Jul (EFE)—Today Bolivian Roberto Suarez Gomez, the so-called "cocaine king," said that he is willing to face U.S. justice if a coordinated process between Bolivian and U.S. officials is established.

Suarez Gomez held a news conference in the San Pedro penitentiary in La Paz, where he was taken on 26 July, during which he said: "I am going to ask the Bolivian president to accept that my trial be held by the U.S. Government, but in coordination with Bolivian officials, because I am willing to tell the truth."

The news conference was held after the media requested it. The atmosphere was tense and a large police contingent was on hand.

Suarez also said that he allowed the police to arrest him on 19 July in his ranch El Sujo in Trinidad in order to clarify before the people the "unfounded" charges of drug trafficking against him.

He said: "I decided to come and meet the police. I let the police arrest me. I knew the time that they were coming, and I waited for them while smoking a cigarette because I decided to let them arrest me."

Suarez continued: "I am even willing to die to clarify my situation once and for all."

He criticized the U.S. Government, saying that it is responsible for the expansion of drug trafficking. He also recommended changes in U.S. internal and external policies.

Suarez said that his cocaine king myth was created for political purposes by the Reagan administration. He added: "They made me into a monster."

He said: "I am the man with the greatest knowledge about drug trafficking and the one who can fight it."

He also said that drug trafficking has a great influence in Bolivian political circles and that he could clarify this problem in the joint Bolivian and U.S. Government trial.

He concluded the news conference by saying that the fact that he is in the San Pedro Hotel (this is now he labeled the penitentiary) proves that he is willing to cooperate in the struggle against drug trafficking.

Drug Fight Coordinated With Argentina

PY2907155488 La Paz PRESENCIA in Spanish
21 Jul 88 p 1

[Excerpt] The Governments of Bolivia and Argentina are coordinating their efforts to fight the manufacturing and trafficking of drugs and the contraband of chemicals used in the manufacturing of cocaine.

Argentina is in a position to provide technical assistance, intelligence information, and some economic resources.

Jaime Malamud Goti, Argentine Supreme Court prosecutor, is in Bolivia on an official visit to convey his country's desire to coordinate with Bolivia the fight against drug trafficking.

Malamud said he seeks mutual cooperation regarding the preservation of local traditions and culture, as well as the nutritional and ancestral use of the coca leafs, which in Bolivia "is deeply rooted."

The Argentine official will meet with the Bolivian foreign minister and President Paz Estenssoro, and he will visit the regions where coca is cultivated and the drug manufactured.

Yesterday Malamud met with Interior Minister Juan Carlos Duran and Social Defense Under Secretary Jorge Alderete Rosales.

The Argentine official repeatedly said his country is willing to cooperate in the fight against drug trafficking without conditions, but within its current economic capabilities.

According to press reports, Argentina has become one of the most popular routes for cocaine trafficking to Europe.

He admitted that drug consumption in Argentina has increased lately, but he added: "It is not dreadful."

Asked about the eventual signing of agreements, Malamud said: "This preliminary meeting will give way to a permanent exchange of cooperation between governments. We will not sign a single agreement. We will work out an overall policy to fight drug trafficking because it is time to end the rhetoric and begin working together." [passage omitted]

Special Antinarcotics Force Releases Figures

PY3107022588 Madrid EFE in Spanish
2351 GMT 30 Jul 88

[Text] La Paz, 30 Jul (EFE)—Today it was reported that the Bolivian police, through the special antinarcotics force, seized more than 6 tons of cocaine sulfate and hydrochloride during the first 6 months of 1988. In addition, 644 cocaine processing centers and laboratories nationwide were raided over the same period.

According to a 6-month report issued by the special antinarcotics force, the amount of cocaine seized between January and June 1988 is slightly less than the amount seized throughout 1987 (7.5 tons), but larger than the total amount seized in the past few years.

According to Jorge Alderete, the Interior Ministry social defense under secretary and the leader of the antinarcotics struggle in Bolivia, these figures demonstrate that police actions have increased. He rejected, however, the possibility that some drug trafficking rings have increased their operations accordingly.

The aforementioned report, which is broken down by monthly police actions, adds that 6,552 kg of cocaine was seized, 644 cocaine processing centers were destroyed, 1,283 soaking [maceracion] pits were destroyed, and 5,454 kg of cocaine was burned.

Government Orders Drug Fighter Reorganization

PY2907153588 La Paz EL DIARIO in Spanish
20 Jul 88 p 1

[Excerpt] The government has ordered the total reorganization of the special forces assigned to fight drug trafficking, in accordance with the Law on Drug Control. This will ensure greater efficiency and a reduction in coca plantations.

Interior Minister Juan Carlos Duran said the measure seeks to create a more efficient agency to fight drug trafficking.

Yesterday Duran met with President Victor Paz Estenssoro and said later that the reorganization is a delicate matter that has to be carefully and adequately studied.

Over the past few months, the agencies fighting drug trafficking have not been as efficient as expected. Social Defense Under Secretary Jorge Alderete Rosales said repeatedly that adjustments must be made in these agencies if the government wants greater efficiency. [passage omitted]

Brazil

Sodre Terms U.S. Retaliation Threat 'Bluff'

PY3007025088 Sao Paulo FOLHA DE SAO PAULO in Portuguese 29 Jul 88 p A-34

[Text] Rio de Janeiro—Yesterday Foreign Minister Abreu Sodre said here that the U.S. Government decision to overtax Brazilian products in retaliation for Brazil's refusal to pay royalties on U.S. pharmaceutical products and processes "is President Ronald Reagans bluff." If it is really implemented, however, he said, "Brazil can also retaliate against products imported from the United States." Minister Sodre said Brazil can retaliate by overtaxing U.S. products in the computer science, electronics, and naval industry sectors.

"We also have the right to retaliate. We can retaliate against many electronic items, against the naval industry sector, and against the import of computer parts that are not manufactured in Brazil," Minister Sodre said at the War College in Urca district, in the southern area of Rio de Janeiro. This morning Minister Sodre gave a lecture on the retaliation issue, the importance of Brazilian-U.S. relations, President Sarney's trip to the PRC, nuclear disarmament, Latin American integration policy, and the expansion of ties with the Pacific Ocean countries, particularly "the strengthening of trade relations with Japan."

Minister Sodre mentioned Japan and the ROK as "alternative" markets which can buy Brazilian products barred in the United States. Although he said Reagan might be "bluffing, as often happens in diplomatic politics and international trade relations," Sodre pointed out that "the best way of resolving this issue is through negotiations because, excluding the EEC countries, the United States is our main trading partner."

Sodre added that these negotiations, which will include "mutual concessions," will be based on the bill being drafted by a Brazilian inter-ministerial commission. This bill will establish "rules for registering patents and copyrights on all products invented by foreign industries and sold in Brazil." This bill will replace the 1947 law that does not mention registration of patents on certain products—such as pharmaceuticals—or payment of copyrights.

In Sodre's opinion, Reagans remarks "were exaggerated, extremely unfortunate, and untruthful because the United States did not lose $30-million as he said. On the contrary, U.S. companies made their largest profits in the world this year in Brazil."

Negotiations With Paris Club on Debt Resume

PY2907033588 Rio de Janeiro Rede Globo Television in Portuguese 225 GMT 28 Jul 88

[Text] Today Brazil resumed negotiations with the Paris Club, which comprises a number of creditor countries. The negotiations are aimed at refinancing a $17-billion debt.

This morning, Brazil started to discuss its debt with the foreign governments in a mildly optimistic atmosphere. During the Paris Club meeting, which is being held at the International Conference Center, the 14 creditor countries will hear for 2 days the Brazilian proposal for the rescheduling of installments that are already due or about to fall due.

The Brazilian negotiators—diplomat Sergio Amaral and Central Bank Director Antonio de Padua Seixas—do not believe the creditors will react negatively to the Brazilian economic crisis or the 24.4-percent national inflation rate for the month of July.

According to the two negotiators, the negotiations being held in Paris will not be affected by the Brazilian trade conflict with the United States because the channels used for these negotiations are separate.

The governments represented at the Paris Club have more political sensibility than the international bankers. As a result, Brazil expects to reach an agreement with the Paris Club tomorrow.

The 1987, 1988, and 1989 payments, which total $5.2 billion, are also included in these negotiations. Trade credit that will be granted by the Paris Club governments—i.e., the money that will finance Brazilian imports—is also being negotiated.

If the Paris Club agrees to the Brazilian proposals tomorrow, Brazil expects Japanese investments in the country to increase.

Agreement Reached

PY3007154288 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 30 Jul 88

[Text] Brazil has reached an agreement with the Paris Club. The agreement provides for the rescheduling of payments totaling $4.992 billion on the principal of due and overdue debts, as well as interest. The rescheduling is for 10 years, with a 5-year grace period.

The negotiations with the Paris Club were conducted by the Finance Ministry's international affairs secretary, Sergio Amaral, and the Central Bank's foreign debt director, Antonio Paduas Seixas. Finance Minister Mailson da Nobrega said that this agreement represents the last step in the normalization of Brazil's relations with the international financial system, both official and private.

Central Bank Head on Release of Bridge Loan

PY3007203188 Rio de Janeiro O GLOBO in Portuguese 29 Jul 88 p 18

[Text] Brasilia—Today the U.S. Treasury Department and the Bank for International Settlements (BIS) should release the largest portion of the $500-million bridge loan granted to the Brazilian Government. This portion is an advance of new resources provided for under the private foreign debt agreements signed this past June. This portion is only $33 million less than the entire bridge loan, which should be released in the next few days. The entire bridge loan will be allocated to the payment of interest for June, July, and August of this year.

In Sao Paulo, Central Bank President Elmo Araujo Camoes confirmed that the money will be released, and he affirmed that Brazil's situation in the international financial community has improved, thus raising expectations that new resources and new investments will be forthcoming. He recalled that the return of the Deutsche Sudamerikanisch Bank to Brazil implies the opening of a $100-million credit line in new money.

This will be the first time this year that the Brazilian Government has received external financing to meet foreign debt interest payments. Since this past January these payments have been totally paid for with resources from Brazil's international reserves. Last year, the country availed itself of a $1-billion loan from private creditor banks under the provisional agreement signed in November for the payment of interest that would have fallen due in the last quarter of 1987. The release of the bridge loan, which is to be released in equal parts by the U.S. Treasury Department and the BIS, was made possible by the formal approval of the Brazilian economic program by the IMF board this past Tuesday. The IMF approval was the only condition imposed for the actual disbursement of the loan. The refund of this bridge loan is subject to the disbursement of the first two installments of IMF financing. This IMF financing will, in turn, depend on the attainment of the so-called "critial mass," that is, the approval of last June's agreement by 95 percent of all private creditor banks.

President Sarney Swears In New Ministers

PY2907175988 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 29 Jul 88

[Excerpt] New Welfare and Social Security Minister Jader Barbalho and Agrarian Reform Minister Iris Rezende were sworn in this morning. Shortly before 1100 Minister Barbalho transferred the Agrarian Reform Ministry to his agriculture counterpart, Iris Rezende, who for the second time will be heading the two ministries. This time, however, he will assume the ministry in a very favorable situation. This is because the Presidency of the Republic has made available 52 billion cruzados in additional funds for agrarian reform.

Barbalho left the ministry hastily to participate at the Planalto Palace in the ceremony marking his swearing in as welfare and social security minister. In addition to all the ministers, present at the ceremony were the governors of the Federal District, Jose Aparecido, and Para State, Helio Gueiros. In his speech, President Sarney regretted the withdrawal of former Minister Renato Archer, who did not speak.

Education Minister Hugo Napoleao will assume the Culture Ministry on Tuesday when he returns from his trip to Mexico. [passage omitted]

Acting Minister Named

PY3007210088 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 30 Jul 88

[Text] Deputy Luiz Henrique da Silveira has handed his post over to Luiz Andre Rico Vicente, secretary general of the Science and Technology Ministry, who will now be the acting science and technology minister. Deputy Silveira resigned from this post on 28 July.

Ex-Minister on Resignation

PY3007184488 Rio de Janeiro O GLOBO in Portuguese 29 Jul 88 p 5

[Interview with former Social Security Minister Renato Archer by O GLOBO correspondent Jorge Bastos Moreno in Brasilia—date not given]

[Excerpt] [Passage omitted] O GLOBO: Did you leave the government in disgust with President Sarney?

Archer: No. On the contrary, I am grateful for the respect the president showed me during the 3 years I served the goverment. As I said in my resignation letter, I understand that differences are normal in a democratic regime, but they cannot exist between the chief of government and his ministers.

O GLOBO: Were those differences limited to the conflicting figures on the cost of social security under the new constitution?

Archer: I presented studies showing that the impact of those measures was programmed and that it can be perfectly absorbed as those measures are implemented. The president expressed a different opinion.

O GLOBO: Why do you think that the president, despite the studies you handed him, produced figures attesting exactly the opposite?

Archer: That I cannot understand. I thought, therefore, that the time for me to leave government had arrived.

O GLOBO: Although you alleged personal reasons, it is obvious that your decision has political connotations, because of the complicated relations between the PMDB and the government. Don't you think so?

Archer: The reason was absolutely personal. It did not imply a political decision, because all factions within the PMDB had asked me not to leave. [passage omitted]

Chile

Merino on Plebiscite, Terrorism, East Bloc

PY3007141688 Santiago Radio Chilena Network in Spanish 2300 GMT 29 Jul 88

[Text] Admiral Jose Merino, a Government Junta member, said that the Armed Forces government is strictly complying with the current constitutional and legal provisions. He also said that terrorists will try to create difficult conditions in order to scare people who will go to the ballot boxes soon.

The Government Junta member also discussed stand-by policy matters following an agreement between the Chilean Attorney Generals office and the Navy, reached in the port of Valparaiso.

Those who claim that the government is doing something secret or something to bring discredit upon the military are mistaken, completely mistaken, Merino emphasized. He reasserted that those people are just trying to confuse youngsters and others who are not aware of how we in the military work.

Concerning the plebiscite, Merino said that the chain of events after 30 August, including the election of the candidate and the holding of the plebiscite, has been fully determined and will be duly announced to the nation.

Moving on, Merino said that states of exception will be lifted whenever the countrys conditions' permit and the laws decree it. He also reiterated his criticism of the East bloc.

Merino said that there is no Communist Party in Chile but there is Moscow, Cuba, and Nicaragua, and all of them are trying to create an atmosphere of unrest through terrorism, which is one of the communists' tools. He said that in his opinion, terrorism will be used here to create conditions that will frighten people from going to the polls to vote or make it difficult for them to do so.

Merino stressed, however, that we have enough forces and means to guarantee the security of the people and the country in the next few months.

Answering a question, the admiral said, quote: Humanists and Communists are all alike. They are good for nothing—all of them.

No Vote Group Denounces Military Participation

PY2907222288 Santiago Radio Chilena Network in Spanish 1700 GMT 29 Jul 88

[Report by reporter Carlos Solar]

[Text] Patricio Aylwin, president of the Christian Democratic Party [PDC] and the National Pro No Vote Command, has revealed to the media the contents of a 10-page letter sent to the government junta by the Pro No Vote Command. The letter expresses the command's concern over the active participation of Armed Forces officers in the election campaign. The command is especially concerned about Army participation.

This is contrary to our historical tradition, the current Constitution, and laws, Aylwin said. The tradition of military non-participation in elections has contributed greatly to the greatness of Chile because it has allowed political consolidation in our country.

This principle has remained unchanged throughout history. The most outstanding example of this principle was the resignation of General Manuel Baquedano, the Pacific War hero, when he was nominted as a presidential candidate in 1881.

The letter further states that the 1925 constitution confirms the Armed Forces tradition of not participating in politics, reiterating in Article No 22 the same pertinent text of the 1833 constitution.

It is timely to recall, Aylwin said, that after the 1980 Constitution was approved, you repeatedly said that when the 1988 plebiscite is held, in keeping with temporary Article No 27 of the 1980 Constitution, the Armed Forces would guarantee all Chileans a fair process and, consequently, the Armed Forces would behave as legitimate guarantor of the political process.

The letter goes on to say that within this context, General Matthei said that the Armed Forces could not be part of the process and judge it simultaneously. Admiral Merino has called on Chileans to have faith in the impartiality of the Armed Forces, and General Stange went even further when he said that it would be incompatible to guarantee an electoral process or plebiscite and at the same time allow Armed Forces members to vote. He said he proposes that the Armed Forces not vote in order to guarantee their neutrality.

Patricio Aylwin added:

[Begin Aylwin recording] This is why we in the political parties believed it was necessary to make a solemn call to the members of the Government Junta, three of whom are also unit commanders, to exercise their influence, and to do whatever is necessary to put an end to this situation. We said that it is not acceptable for us to see the Armed Forces, which is responsible for watching over this process, becoming at the same time a judge and a part of this process, and

to use its political and military power to pressure or induce Chileans to vote in favor of the candidate appointed by the junta members. [end recording]

That was a statement by the spokesman of the political parties which support the no vote in reference to a letter sent to the Government Junta members requesting an end to the political intervention of the Armed Forces.

PCCh Spokesman on Plebiscite Atmosphere

PY3107024688 Buenos Aires TELAM in Spanish 2110 GMT 30 Jul 88

[Text] Santiago, 30 Jul (ELAM-ANSA)—Jose Sanfuentes, spokesman of the outlawed PCCH, has reported the existence of a fraudulent atmosphere that surrounds the Chilean plebiscite process, a fraudulent atmosphere stemming from the states of emergency currently in force in the country.

The PCCH spokesman reiterated that the PCCH and the United Left coalition—which is led by the PCCH—believe that the resolution of the Chilean political crisis involves the end of the regime headed by General Augusto Pinochet and the establishment of a provisional goverment. Sanfuentes said that the mere existence of a number of bans and restrictions on public rights, involving the states of exception currently in force, impair the legitimacy of the plebiscite and prove the existence of a fraudulent atmosphere in the country.

The PCCh spokesman criticized Interior Minister Sergio Fernandez, who has said that the upcoming plebiscite could be held with the states of exception in force.

Sanfuentes proposed that the opposition to General Augusto Pinochet call a massive rally in order to demand the lifting of the current states of emergency.

PDC Study Shows Voters Evenly Divided

PY3007015988 Madrid EFE in Spanish 1649 GMT 29 Jul 88

[Excerpt] Santiago, 29 Jul (EFE)—Today Professor Gustavo Jimenez of the Christian Democratic Party [PDC] department of opinion analysis said that based on an average of the polls conducted concerning the results of the upcoming plebiscite, the no vote will have only a 3.1-percent margin of victory over the yes vote.

Opposition leaders have cheerfuly commented on the great victory of the no vote over the yes vote. However, Jimenez' report shows a different result.

The importance of this report is the fact that among the surveys used to obtain this average, only one was conducted by an enterprise which can be considered pro-government.

The analysis made by PDC experts coincides with the opinion of many observers who believe Chilean public opinion is divided into thirds: yes vote supporters, no vote supporters, and those who are undecided.

The PDC report states that 34.2 percent of the people support the no vote; 31.1 percent support the yes vote, and 34.7 are still undecided. [passage omitted]

60 Percent Support Yes Vote

PY2907190688 Santiago Domestic Service in Spanish 1700 GMT 29 Jul 88

[Text] Some 59.77 percent of the electors, that is, almost 60 percent, will support the yes vote during the upcoming plebiscite, while 40.23 percent will vote no. This is the result of a poll conducted by the specialized polling company (?Copus) between 1 and 16 June.

The poll results also reveal that between those dates only 16 percent of the electorate still had not decided for whom or how they will vote during the plebiscite.

During the poll, 19,890 people were interviewed—17,390 of them were from urban areas and 2,500 from rural areas—representing a total population of 6,409,100 with the right to vote.

The results of the poll are reported in the ESTILETE DE PAPEL magazine, managed by journalist Raul Gonzalez Alfaro, in the publication issued today and dated 1-15 August.

The magazine states that according to the results of the poll, virtually 60 percent of those interviewed voiced their support for Pinochet and the continuation of his governmet. The no vote only has the support of 40.23 percent.

It is important that the results of the (?Copus) poll coincide with another poll carried out by a polling enterprise of the opposition, which is financed with money obtained from abroad, and which shows that 50 percent support the yes vote. However, the opposition has tried to conceal this result.

Foreign Ministry Denies Considering Aid To UK

PY3007030888 Santiago Radio Chilena in Spanish 2300 GMT 29 Jul 88

[Text] The Chilean Foreign Ministry denied press reports that Chile was reportedly ready to help Great Britain during the Malvinas war.

This announcement was made by Foreign Ministry spokesman Carlos Ducci:

[Begin Ducci recording] We learned about this issue from the press. I would like to say that the charge is merely the opinion of a lawyer involved in a trial which is not taking place in a Chilean court. It is obvious that we cannot make any comments in this regard. [end recording]

Ducci also referred to the five Chileans arrested near Buenos Aires:

[Begin Ducci recording] We believe that this is strictly a judicial and police matter which is being processed with all seriousness and responsibility. I would like to emphasize that there was full cooperation between the officials of the two countries regarding this case. [end recording]

Ducci added that this shows the full cooperation which exists between the two countries in facing terrorism.

Carvajal Comments

PY3007143488 Santiago Domestic Service in Spanish 1030 GMT 30 Jul 88

[Text] National Defense Minister Vice Admiral Patricio Carvajal told journalists that he had been out of the country during the Falkland Islands conflict.

However, in a brief statement, he said that later he was able to examine the case. He said he is convined that all the measures adopted by the Chilean Armed Forces at the time were only defensive, with the sole purpose of defending Chilean safety and neutrality.

Some Argentine press reports stated that Chile had reinforced considerably its border with Argentina during the Falkland Islands conflict.

Suspected Extremists Arrested in Argentina

PY3007155288 Santiago Domestic Service in Spanish 1030 GMT 30 Jul 88

[Text] We have reports from Argentina that Argentine police have arrested three people suspected of extremists activities. One Chilean citizen is among those arrested.

This was reported by Cordoba Interior Minister (Jose Casareta Suarez). The names of the two Argentines and the one Chilean arrested were not disclosed.

When they raided the boarding house where the three suspects were living, in the city of Cordoba, 750 km northwest of Buenos Aires, the police discovered Argentine Army uniforms, telecommunications equipment, and blank police and military identification cards.

Asked about the possible involvement of this group with the five Chilean terrorists who were arrested near Buenos Aires, Interior Minister (Caserate Suarez) declined to give any other details.

Argentina Releases 4 Arrested for Taking Photos

PY2907030988 Santiago Domestic Service in Spanish 2300 GMT 28 Jul 88

[Text] Today Argentine Judge Rodolfo Rivarola of Neuquen released the four Chileans who were arrested for taking pictures near an Argentine Army garrison.

The Chileans are Marcelo Munoz LLanos, Andres Munoz, Pablo Salazar, and Miguel Sepulveda Rivera, who are being held incommunicado on orders of the prosecutor who also ordered an investigation.

The report on the release of the four Chileans was provided by Argentine Embassy official Raul Estrada in Santiago. Estrada said the investigation is continuing.

Embassy Offers Protection to Hales Family

PY3007163288 Madrid EFE in Spanish 0238 GMT 30 Jul 88

[Text] Santiago, Chile, 20 Jul (EFE)—The Brazilian Embassy in Santiago has offered diplomatic protection to the family of Patricio Hales, leader of the outlawed Chilean Communist Party, whose 7- and 8-year-old sons were threatened 2 days ago by unidentified hooded people.

A communique issued by the Brazilian Embassy reports that Brazilian Ambassador Ronaldo Costa learned about the threats to kidnap the Hales children from Patrico Hales and his wife, Brazilian citizen Leila Gebrim. The ambassador was informed of the threats during a meeting he held with the Hales and with Chilean Bar Association President Alejandro Hales, Patricio Hales' father.

Today Ambassador Costa informed the Chilean Foreign Ministry that he had offered diplomatic protection to the Hales family and that he had requested an investigation be carried out. He added that he hoped the investigation would yield results within a few days.

Ambassador Costa also said he held a telephone conversation with Carabineros Commander Rodolfo Stange during which he requested police protection for the Hales' residence. The ambassador added that a police guard was appointed that same night.

On 27 July, three hooded people went to the Hales' residence when the couple was not home and threatened to kidnap the children.

Patricio Hales is a renowned Chilean Communist Party leader. He is also adviser to the Chilean Architects Association. The Chilean Communist Party was declared illegal by a local court, based on a request by the government of General Augusto Pinochet.

French Ambassador Lodges Protest Against Court

PY3007144488 Madrid EFE in Spanish 0004 GMT 30 Jul 88

[Excerpt] Santiago, 29 Jul (EFE)—French Ambassador to Chile Francois Mouton lodged a protest with the Chilean Foreign Ministry over a Supreme Court ruling which approved two petitions against two FRG consuls.

According to press reports today, yesterday Mouton went to the Foreign Ministry to lodge a protest against a court ruling which will cancel the diplomatic immunity of the FRG consuls in Santiago and Concepcion for remarks they made concerning the "Colonia Dignidad" case.

After meeting with Foreign Minister Ricardo Garcia, Mouton only said that "It would be necessary for Chile to take into acount the current international agreements." [passage omitted]

Mouton added that the he was "surprised" by the ruling handed down by the Chilean courts disregarding the diplomatic immunity of the FRG consuls.

Colombia

Dialogue Begins Amid Continuing Violence

PA3007234188 Madrid EFE in Spanish 2102 GMT 29 Jul 88

[Excerpts] Bogota, 29 Jul (EFE)— Today while leaders of all the political parties and social sectors sought formulas to achieve peace in Colombia, there were reports that eight peasants were killed in the country's northwestern sector—where political violence has resulted in the deaths of almost 2,000 in 1988.

Likewise, two people were murdered early this morning in Barrancabermeja, a port on the Magdalena River, located in the country's central region, shortly before Bishop Dario Castrillon inaugurated the "National Salvation Summit" in Bogota, stating that it is time for a dialogue of words to replace the dialogue of machine guns. [passage omitted]

The government issued a document, delivered to the summit by presidential adviser Rafael Pardo, reasserting that the dialogue with the guerrilla groups should not serve to promote "coexistence" with them, but to attain their demobilization, disarmament, and return to civilian life.

The rebel People's Liberation Army (the Maoist EPL) and National Liberation Army (the pro-Castroite ELN) sent documents to the meeting rejecting the government's terms for a dialogue, which includes a [guerrilla] demobilization, and announcing their intentions to strengthen the Simon Bolivar National Guerrilla Coordinating Board (CNG).

The Communist Party of Colombia delegates proposed, as the basis for achieving peace in Colombia, the dissolution of all paramilitary groups; the 90-day cease-fire requested by other guerrilla movements—the M-19 and the FARC; and a direct consultation with the people, through a plebiscite, to reform the Constitution.

The government's Liberal Party, represented by Senator Ernesto Samper, also requested a plebiscite to reform the Constitution, which dates back to 1886.

Cardinal Mario Revollo, archbishop of Bogota, supported the request for a 90-day truce or cease-fire, but he said that this is not enough, because all Colombians want to achieve a definitive peace in the country.

Likewise, today former presidential candidate Alvaro Gomez reasserted at the "summit" his criticism of Liberal President Virgilio Barco's government, which he accused of "boycotting" the attempts to achieve peace in Colombia by refusing to participate directly in the meeting and by refusing to grant safe conduct passes so that the guerrilla leaders who are interested in the dialogue could participate.

No Government Participation

PA3007035088 Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 30 Jul 88

[Report by Raul Gutierrez]

[Text] All the participants at the national dialogue stated, without exception, their displeasure about the government's absence and the way it has reacted toward all the crises that afflict the country. The first conclusion reached after hearing everyone's views—including those who represent the church, the Indian groups, and the Communist Party of Colombia—is that a solution must be sought to our justice sector's problems and the country's political violence at any cost.

From the practical viewpoint, it was agreed to create a commission that would evaluate and organize everything stated at the meeting and present a report with specific peace proposals within a 30-day deadline beginning 22 August. The government must be represented in the commission.

A specific initiative for a plebiscite was presented and accepted. Another proposal created the possibility of negotiations between the guerrilla forces and the Army for a truce.

The political parties also insisted that reforms to the constitution be accepted as part of the negotiations to attain peace.

The guerrilla groups did not present specific proposals or offers. The M-19 sent messages to the summit reasserting its willingness to participate in a dialogue, and criticizing the government for the inappropriate way it has handled political and economic issues. FARC advocates returning to the peace agreements signed at La Uribe during Belisario Betancur's administration.

Alvaro Gomez, who was kidnapped by the M-19 and held in captivity for 53 days, closed the event issuing an appeal to participate in the dialogue and embark on a process of peace and reconciliation.

Minister on Meeting

PA0108045988 Paris AFP in Spanish 1530 GMT 31 Jul 88

[Text] Bogota, 31 Jul, (AFP)—Today the Colombian Government announced that it will study the conclusions reached at the national dialogue meeting that took place on Friday in Bogota with the participation of political, economic, and church sectors seeking a solution to the country's crisis. According to Interior Minister Cesar Gaviria, the president's participation in the coexistence committee for national reconciliation, which was proposed by the national dialogue meeting attendees, should not be ruled out.

At the national dialogue meeting on Friday, which was not attended by the guerrillas or the Virgilio Barco government, the participants requested that both the government and the guerrillas join the peace process.

Gaviria said the government has not yet had any contact with the follow-up commission, but he said the president "views favorably efforts for peace in Colombia."

In justifying the government's decision not to attend the meeting, the minister said the government believed that the dialogue took place as the result of intimidation and blackmail by the leftist M-19 guerrillas.

The national dialogue was the result of a meeting held in Panama between M-19 leaders and representatives of political and economic sectors and the Catholic Church, who were trying to gain the release of former Conservative presidential candidate Alvaro Gomez Hurtado and to contribute toward peace in the country. Gomez Hurtado was a kidnap victim of the M-19 for 53 days.

At Friday's meeting, there were 50 attendees from the Liberal (ruling), Conservative, and Patriotic Union (leftist) Parties, workers trade unions, industrial unions, and the church.

While the government is evaluating the results of the meeting, political, industrial, business, trade union, and church personalities are demanding the government's participation in the dialogue. Today Colombian Episcopal Conference President Msgr Alfonso Lopez Trujillo said that President Barco's government has no reason to refuse to participate in the new dialogue process that was begun on Friday.

Former Conservative Party President Belisario Betancur said that the national dialogue peace process should become a great enterprise for all Colombians, and he demanded that the conclusions of the dialogue be supported to help the peace effort.

Within the next few days work will begin to organize a second plenary meeting on 22 August, when the reconciliaton and democratic coexistence commission will be established.

UP Leader Says Government Withdrew Security

PA2907235388 Bogota Inravision Television Cadena 2 in Spanish 0000 GMT 29 Jul 88

[Text] Today Bernardo Jaramillo, president of the National Coordinating Board of the Patriotic Union [UP], reported that the escort assigned to him by the government has been withdrawn, and he feels unprotected. The Administrative Department of Security [DAS] said the service is being maintained, but the UP leader was angered when one of the three cars assigned to his security was withdrawn.

[Begin recording] [Reporter] According to Bernardo Jaramillo, the DAS completely suspended his escort service at noon yesterday.

[Jaramillo] DAS Colonel Manuel Antonio Gonzalez withdrew the escort and security that the government had provided.

[Reporter] How were you advised of the withdrawal, in writing, by telephone, or some other way?

[Jaramillo] Simply by a telephone call saying the car transporting the escort was being withdrawn. Obviously, if the escort does not have transportation, there is no escort.

[Reporter] According to Jaramillo, Representative [name indistinct] and Senator Jaime Montoya Sanchez were also left unprotected. Tonight, DAS issued a communique denying the protection service had been withdrawn and, on the contrary, the escort team has a sufficient number of men and drivers, an armored station wagon for their transportation, three motorcycles, and enough arms and communications equipment necessary to run the service, which has also been extended to Jaramillo's wife including usage of a station wagon and security men. [end recording]

Santander Town Mayor, Fiancee Murdered

PA2907191288 Bogota Inravision Television Cadena 2 in Spanish 0000 GMT 29 Jul 88

[Excerpt] The authorities have begun a thorough investigation in Convencion, Santander Department, where Ramiro Garcia Velasquez and his fiancee, Magda Ramirez, were murdered at approximately midnight yesterday. He was the town's first elected mayor. There were no witnesses to the shooting.

The mayor's relatives believe the crime was not directed at the person of Ramiro Garcia as such, because he had performed the job without problems or threats.

[Begin recording of Garcia's brother, Freddy Garcia] I do not think it was the person of my brother that was attacked. It was the dignity of the position that was attacked. [passage omitted] [end recording]

1988 Foreign Investment Figures Released

PA3007180088 Bogota EL TIEMPO in Spanish 27 Jul 88 p 11-A

[Text] The National Planning Department, DNP, approved $105.7 million in foreign investments during the first half of 1988. According to DNP spokesmen, these figures represent an increase of 181.8 [not further specified] in approved investments compared to the same period in 1987.

The spokesmen added that the increase demonstrates the positive results obtained from opening different areas of economic activity to foreign investments.

Of the 17 countries that asked for permission to invest capital, the most important are the United States and England, with 30.5 percent and 29.5 percent, respectively, followed by Germany, with 21.1 percent.

Fifty-one percent of foreign investments pertained to the manufacturing industry. The chemical sector was the most significant component of this industry with 42.6 percent of the investments.

A total of $62.9 million,, or 59.5 percent, of investments were made by bringing in foreign exchange; 19.9 percent through nonrefundable licenses; 15.1 percent through the capitalization of profits; and 5.3 percent through surplus profits. The latter had been nil during the January-June 1987 period.

Approval was given for investments in the following areas: the mining sector, $12.7 million; the metalworking industry, $4.4 million; the services sector, $26.8 million; and the financial sector, $7.9 million.

The most important foreign investment authorizations made during the second quarter in the financial sector include: $500,000 in Leasing Ganadero and $1.1 million in the Bank of Bogota. These investments were made by the Sudameris Bank (Panama) and the Bank of Bilbao (Spain).

The Extebandes Bank invested $94,731 in Samper Industry and Investments. The Medellin steel mill, Simesa, received $463 from Japan's Kawasaki Steel Corp. and the Itoma Co. Coca Cola obtained $1.5 million from its U.S. parent company.

The National Development Bank of Ecuador contributed $1.1 million to Flota Mercante Grancolombiana, while some Spanish investors placed $22,145 in the Carulla marketing company.

Paraquay

Homily Condemns Government 'Persecution'

PY3107023188 Asuncion ULTIMA HORA in Spanish 30 Jul 88 p 12

[Excerpt] Complying with instructions by the Presbyterian Council of the Paraguayan Catholic Church, a homily analyzing and commenting on the "persecution campaign against the church, as shown by the arbitrary expulsion of Father Juan Antonio de la Vega," will be read at all masses tonight and tomorrow.

The homily states: "Recent repressive measures that seriously harm the dignity of the people, such as arbitrary detentions, restrictions of freedom of expression, and the expulsion of priests from the country, have been observed. The recent expulsion of Father Juan Antonio de la Vega, whose kindness and gentleness are known to all, are proof of this campaign, and charges that he was expelled for supporting liberation theology further confirm it.

"Regrettably, in this expulsion, as in several others, the most elementary rules of civilized behavior, respect, and the obligation to protect the people and their constitutional rights have been violated," the document adds.

"In face of these violations, the church again recalls that according to our Constitution, the dignity and the fundamental rights of the people, such as freedom of conscience, freedom of expression, freedom of education, and the right to assemble and organize into groups for law abiding objectives, must be respected. In our case, this respect is even more important because, as Christians, we know that all people are created in the image and likeness of God and, therefore, deserve absolute respect," the document says. [passage omitted]

Agreement With Brazil on Stolen Cars Signed

PY2907151888 Asuncion EL DIARIO in Spanish 29 Jul 88 p 11

[Text] Yesterday the Paraguayan and Brazilian Governments signed an agreement which established procedures for the return of vehicles found in their respective territories whose origin represents a crime against the other country.

The implementation of this bilateral agreement will prevent the problems that have arisen and even led to legal demands for the return of vehicles. This new agreement will go into effect as soon as the national Congress approves it and it is ratified. Meanwhile, under its present Constitution, the agreement will be approved in Brazil by a decree of the executive branch.

The ceremony, during which the agreement was signed, was attended by Interior Minister Sabino A. Montanaro; Education and Worship Minister Carlos A. Ortiz Ramirez, who is also acting Finance Minister; as well as other

local government authorities including Customs Director General Fulgencio Tomas Santos. The Brazilian Government was represented by Ambassador Orlando Soares Carbonar and Carlos Eduardo Cruz de Souza Lemos, director general of the Judicial Affairs Department and consultant of Itamaraty.

Once the text of the Foreign Ministry's note had been registered by Leila de Racca, director of the International Treaties and Acts Department, it was signed by Foreign Minister Augusto Saldivar and Ambassador Soares Carbonar, both of whom then spoke.

The Brazilian ambassador began by voicing his satisfaction over the agreement, stating that it "was the result of a joint effort following what I would call the best diplomatic procedures to reach a deserved, mutually satisfactory, and acceptable agreement to the issue."

Foreign Minister Saldivar stated: "We have reached a conclusion, as it should be the case in all agreements. The conclusion will allow us to tackle this problem, which is sometimes painful, and which we should have faced a long time ago. This instrument will allow us to reach solutions that will mutually satisfy the rights of our people."

The ceremony ended with the local and Brazilian authorities congratulating each other for the agreement.

Peru

Garcia Speaks on Independence Day, Terrorism

PY2807225888 Lima Television Peruana in Spanish 1722 GMT 28 Jul 88

[Speech by President Alan Garcia on the occasion of Independence Day at a joint session of Congress at the Congressional Building in Lima—live]

[Excerpts] Mr President of the National Congress, Messrs members of the National Congress, ladies and gentlemen:

On 29 July 1888, 100 years ago, amid the discouragement and despair caused by the war, a voice of hope, encouragement, and moral fortitude was heard from the Politeama Theater. There, high-school students had gathered to collect funds for the recovery of the captive provinces. For these youths, the message of Gonzales Prada [Peruvian writer and poet] was a call for all Peruvians to show moral strength and unity in order to overcome the difficulties of those times.

In paying homage to his memory now, 100 years later, I can hear him calling upon all young people to carry out the tasks ahead of them. I also feel that the young people who are studying, aspiring, working, and dreaming are aware that although any path has rough spots, they will still maintain the courage to undertake great projects and will hold to the ideals that commit them to their fatherland.

This is the fourth time that I appear before this congress, and I know that my speech cannot be a mere report of what has been done. Thus, I am hereby delivering a detailed written report, and I will talk to you about the things that worry and upset my countrymen. I want to tell you that all problems have a solution regardless of how serious they may be. I also want to tell you that no great undertaking is free from obstacles and mistakes and that we will not foresake our commitment to the people, the poor, the workers, the seasonal workers, the peasants, and the producers. We will not abandon our anti-imperialist position.

However, I also want to tell you that the call for democracy and for social changes implies the need for national unity. Unity is needed so that the great foreign powers do not find us divided and weak. Unity is needed to make justice and freedom prevail in our society, to eradicate fear and uncertainty.

Today I want to talk to you about terrorism, about out economic future, social security, regionalization, public enterprises, and education. I would like to remind all Peruvians that we will succeed in each of these fields only if we act together.

The main subject is terrorism because it affects life and brings death and destruction. I am sure that there are other issues that worry us: injustice, inflation, salaries, foreign currency, and so forth. However, we could deal much better with all these problems if we were free of the daily anxiety generated by destruction and death.

The foremost duty of the state is to guarantee security so that the democratic process can continue working for freedom and justice. However, with terrorism and death there is no security for democracy or for our citizens. More than 15,000 people have died as a consequence of terrorism. Terrorism hinders the life of society, disconnects the state from communities and towns, and it hinders and stops works like the irrigation project of Cachi, Ayacucho, where six engineers were brutally killed. Terrorism damages Peru's image abroad.

Just a few days ago we were shocked into the realization that terrorism has legally confounded our society, that we were unable to apply legal punishment, and that crime has managed to frighten the citizenry into submission.

It is true that the proliferation of terrorist groups and their homicidal ideology may have its roots in a variety of causes such as historical conflicts, economic violence, and stark injustice. It may also be blamed on poor education that is unable to instill democratic ideas. We could also blame it on foreign ideologies and cultural models and even on prejudice and radical discrimination that still prevail.

All these causes are relevant and worthy of in-depth studies, but there is one fact that has become independent of its origianl causes: there are armed gangs that leave no room for

idle speculation because they are agents of annihilation and because they have become the armed branch of totalitarianism and drug trafficking in Peru. Totalitarian criminals who join forces with drug traffickers can claim no ethical motivations, and it is wrong—and tantamount to complicity—to seek explanations in social causes. Crime requires only one thing: action.

We believe in social justice as a means of bringing peace to the country. We believe in keeping and using our wealth inside our country. We believe in the need for regionalization and in our commitment to the rural cooperative workers, itinerant workers, and craftsmen. However, we do not believe in passiveness toward crime, and we are not afraid to demand more effective and strict laws in order to eradicate murderers from Peru and to prevent democracy, with its laws and procedures, from being used.

We all know that terrorists take advantage of our democracy, and we must not allow it. We know that the terrorists frighten the judges and the state prosecutors, that threats and telephone calls weaken resolve. We know that the special courts that this congress has created have not been established. We all know that terrorism takes advantage of the freedom of press in our fatherland. The fact is that terrorist crimes are perpetrated for their propaganda value. If someone steals or kills for other reasons, they usually try to keep it secret, but terrorists kill in the hope that their crime will be made public in order to scare the people.

In this regard it is up to the conscience of the journalists and of the owners of news media to decide to what extent our democracy can be allowed to contribute to terrorism and to realize to what extent lengthy reports with huge headlines about violence are involuntarily helping the criminals attain their objectives.

Terrorists are taking advantage of our freedom of press to publicize their crimes directly. Slanderous rags circulate freely, which call terrorist crimes executions and openly instigate crimes and extol the criminals. No state prosecutor seems compelled by conscience to take it upon himself to investigate these slanderous rags, but I am certain that if the government were to decide to close down any of them there would be plenty of prosecutors ready to bring the police and the ministers to court.

I am also concerned that if a step closing down these publications is taken in response to the people's wishes, certain serious and democratically minded news media would claim it violates freedom of the press. Thus they would unwittingly make the terrible mistake of siding with the terrorist rags and defending those who preach and publicize death.

All this shows how limited our democracy is to defend itself, not only because of the lack of the appropriate laws, but also because of the indecisiveness and lack of unity among all of us here today.

We all know that terrorist seek to inhibit and corner those who struggle against them. Whenever a terrorist is arrested, lawyers, state prosecutors, doctors, and high-ranking personalities immediately start asking questions, showing concern about his status and seeking to free him from the police investigation.

In some institutions, whenever a group of terrorists takes radical steps, such as occupying premises or engaging in violent behavior, the only course of action the leaders suggest is to take the initiative through an even more radical response. [sentence as heard]

Something similar is happening at some universities. There are hundreds of thousands of youngsters who want to study, conduct research, and obtain a professional diploma, but they are hampered by a few dozen agitators and terrorists, who make studying more difficult and undermine the respect of society for the university and its diplomas.

If at a given university the terrorists raise their banner of death instead of the national flag, what do the university officials do? Above all, what do the 50,000 students of that university do when they see that 100 fanatics are destroying the prestige of that university? Some people say that the police should do something; other people say that the police should do nothing. Why should we wait for the police to do something that the university officials and the real students should do themselves? [applause]

Finally, we all know that the psychological and political strategy of terrorism ends up converting the members of the Armed Forces and the police forces into suspects and accused people. For this reason, the police have been relieved of their investigative functions. Under law No 24,700 investigations are now in the hands of the attorney general, as though we have withdrawn our confidence from the police forces. In view of these facts, the country is asking what to do about this fundamental problem. I believe the first thing we must do is to trust our Armed Forces and police forces who risk their lives operating in the hills, who guard the cities, and who are directly in charge of the struggle.

We must guarantee the legality of their actions, without allowing them to become the constant target of scandals or letting them get discouraged when they see that their actions and investigations do not lead to legal proceedings. We must not allow them to be constantly insulted because they are presented as aggressors; at the same time, however, more positive results are demanded in their struggle against the true aggressors.

Those of us who do not carry weapons must see that democracy is our best defensive weapon. We must strengthen a democracy that will punish rather than grant concessions, a democracy the terrorists will not abuse.

The recent scandalous case in which a legal technicality was claimed in order to free a criminal from punishment, despite all the material evidence against him, compels us to set right all that we have done wrong.

Our obligation is to have laws that are written in such a way as to prevent noncompliance or fear by those who have the responsibility to enforce them. It should be urgently made clear that the crime of terrorism not only consists of material actions, but also of creating terrorist groups and being a member of such a group, even if a person has not directly committed a material action. Because if only material actions are punished, the fact that one is a leader of a terrorist group will not be called a crime. I propose that this bill stipulating punishment for associating with a criminal group be promptly approved, including punishment for merely being a member of a terrorist group, even if no criminal action has been committed. [applause]

One who kills or plants a bomb is culpable, but equally culpable are those who distribute leaflets, or who plan, direct, or guide the group for such an organized task. The situation where a terrorist is acquitted in spite of the evidence must not be repeated, just because indirect involvement in crimes is not punishable under the law. We therefore propose to punish anyone who publicly—through the press, radio, television, or any other communication medium—incites the commission of terrorist acts, in order to prevent terrorists from taking shelter behind the freedom of our democracy. We also propose that the forgery of identification documents also be considered a factor in classifying a crime as terrorism.

As another measure, I am submitting a draft bill to urgently and immediately repeal law No 24,700 which holds the Attorney General's Office in charge of carrying out investigations thus preventing the police from carrying out this duty for which they have been professionally trained. [applause]

In the third place, I am also submitting a draft bill which sanctions illegal possession of weapons and explosives. According to the law currently in force, the fact that weapons belonging to a murdered policeman or stolen dynamite is found in the stronghold of a terrorist is not sufficient evidence that it belongs to the terrorist group. The only sanction currently implemented is the confiscation of the found weapons or explosives. We have thus arrived at a situation in which the terrorist can claim before a judge that the weapon or explosive was planted there by the police, thus giving grounds for dismissal of the case. [shouts] Thus, for these reasons, 80 percent of the hundreds of arrests made by the police result in the release of the arrested person.

I request prompt approval by Congress of these three bills. I request that Congress postpone other issues and start debates on these bills immediately, with a deadline of perhaps 15 days. Every day that goes by, we run the risk of seeing a murderous terrorist going free, or a local official or policeman being assassinated, with the crime going unpunished. This problem calls for the unity of all the truly anti-terrorist political groups. [applause]

I request that the judicial branch comply with laws approved by Congress for the creation of special courts and for prompt action by the Supreme Court for compliance with this law and others that will be approved by Congress.

Finally, I ask all the people, the popular organizations, and all the political parties to make their contributions to see that this is done. Nobody can be a passive observer of the struggle between democracy and terrorism. The situation demands a combative attitude from everyone. The terrorist is a fanatic with conviction, and we must recognize that on the side of democracy there is still too much indifference and too weak a commitment to oppose this fanaticism. It might be said in response that there is conviction, but in many people that conviction is only theoretical, leaving it up to the police and the Armed Forces to take concrete action. In fact, we still lack the will and conviction to face up to fanaticism. I hereby voice my recognition of and pay homage to the Armed Forces of Peru who, while being prepared to protect the country from external threats, are now committed to the struggle against terrorism at a cost of many martyrs, in addition to giving solid, loyal, and total support to the constitutional regime. My recognition is also extended to the police forces who, having suffered hundreds of casualties, are part of the people. The police forces' contribution to the struggle is also a silent call to our sense of responsibility, which I am sure Congress will not dismiss. [applause]

The second topic I want to address refers to the economic situation, the economic crisis, particularly regarding inflation and the scarcity of hard currency, which pose serious difficulties. Peru, however, will overcome these difficulties by the concerted action of business, labor, and the state. Peru is a solid country with enormous energy to be tapped. After 2 years of considerable economic growth, we now find ourselves with a shortage of hard currency—but also with millions of Peruvians who create their own means of self-employment.

If after 2 years of substantial economic growth there are on the one hand paralyzed industries or industries not fully in production that find it difficult to grow, on the other hand there are thousands of peasant communities that with small credits in the national currency and minor assistance are increasing their production. [passage omitted]

Many Peruvians are asking themselves why, if the country was apparently doing well in the first 2 years, has social conflict flared up and strong inflation reappeared. We sustained the first productive effort through the middle of 1987: 2 years of exceptional economic growth, with growth rates of 9 and 7 percent. If you note that exports declined, that means that internal consumption has rapidly climbed. That was the model we chose; that

is, increase internal consumption in order to give production a boost. But internal consumption requires dollar, because products have imported components. The government decided to stop payment on its foreign debt so the dollars could be used to finance productive growth. Thousands of nearly bankrupt industries set out the produce, the dollar debt was converted into intis, interest rates were reduced, the price of gasoline stayed the same, salaries were increased, and employment grew. Now, for reasons that I understand but do not agree with, people are still thinking of the first 2 years, when production and consumption increased thanks to the decision to stop payment on the foreign debt. However, the level of dollar reserves had to be maintained through exports. Here is where the main problems arose. The price of the oil we exported dropped from $25 to $9 per barrel in 1986, and silver maintained its price of $5 per ounce; consequently, exports failed to bring enough dollars into the country. This happened not only because of the low international prices, but because we failed to pursue an export policy of devaluing our currency so that producers could export. Moreover, by trying to satisfy all the social sectors, we did not set limits on the use of dollars, and in tourism alone in those 2 years more than $1 billion was spent. Thus, the goal of continuing to grow in 1988 was handicapped, and the scarcity of hard currency is responsible for the difficulty of importing and expanding internal consumption.

But all these troubles are temporary. To correct this situation, we established an export rate determined by the level of inflation. Priorities have been established for the productive use of hard currency, and we are sure that this new policy will bear fruit before this year ends.

Consequently, the mining sector is showing clear signs of recovery. The debts of the small- and medium-sized mining enterprises have been consolidated, and a mining promotion fund has been established. With the export exchange rate, 60 percent of the idle capacity in the mining sector should be reactivated, and 15,000 jobs should be created by this year's end. If mining exports in 1987 brought in $1.28 billion, this year it most certainly will bring in $1.55 billion, that is, $300 million more. In addition, as part of its long-term strategy, the government has signed mining export and import agreements with public enterprises of the PRC. This guarantees the country's economic entry into the Pacific basin, one of the new markets open to our production.

Regarding the fishing industry, which is another important export sector, it is possible that the country will produce over 1 million metric tons of fish meal this year. The price of fish meal was under $350 a ton 1 year ago, but it is now selling for $530 a ton. This price increase will help fishing exports go over $500 million, compared to $300 million last year—in other words, an increase of about $200 million.

This year we count on exports for financing the growth of coming years. We realize that 1988 is a difficult year, but we must overcome the problems by preventing consumption from falling below the levels of the last 2 years. In 1987 imports were reduced and basic industry in some cases reached its highest productive capacity without any major investment in new equipment. This is one reason why growth was restricted.

This is why I publicly have said many times that after 2 years of vigorous growth this is a difficult year. However, we must be well aware of why it is a difficult year, so that we can avoid falling into the idea that the coming years will inevitably be worse, and that the concepts of nationalistic development should be abandoned.

There are problems, and we are not going to deny them. That is no reason, however, to say that the country is isolated, that the foreign debt must be paid the way it was contracted, that we lost 2 years, and that the IMF has been right since 1985. The truth is that during those 2 years the country progressed and consumption increased. Our largest production did not go to the foreign banks or the internal monopolies; our largest production went to industry. If we are not disturbed by political problems, we will recognize that fact.

The years 1986 and 1987 showed that the growth of internal consumption is and should be the driving force of the economy. International prices failed, and exports were not adequately promoted. This year we must recover the lost time by promoting exports. We must stimulate the expansion of basic industry, such as cement production, but we must also stimulate the sectors of production that do not need dollars. One of them is agriculture and another is housing. We will continue to enforce a multiple exchange rate system and different interest rates in order to get growth in those sectors. [passage omitted]

To those who say that Peru is isolated, I say that it is not true. Peru is not isolated. Over the past few months we have concluded the negotiations for a $170-million loan from Brazil that will be earmarked for the (Chaminochigui) project and ENTEL [National Telecommunications Enterprise of Peru], for a $50-million loan from Argentina for agricultural machinery and power transmission lines, and for a $50-million loan from Mexico for machinery. We have also signed a protocol with the PRC for a $200-million loan, and we have signed firm offers of credits totaling $500 million for purchasing food and machinery.

In addition, our negotiations with the FAR [Andean Reserve Fund], in which we have never made use of our right to obtain loans, and with the IDB are underway with a view toward reaching accords for larger credits and disbursements from those agencies.

In this way, the Peruvian economy will in a few months overcome its difficulties. Yet this will be possible only if we are able to agree on investment, price, and salary targets with the business and labor sectors. The sound reactivation of the economy depends not only on exports; above all it calls for national unity and accord.

In this regard, however, I should say that the bank issue over the past 12 months made problems more dramatic and serious. The bank nationalization proposal caused a commotion within the political system, added aggressiveness to the economic crisis, and unleashed a feeling of animosity that has disregarded the achievements of the first 2 years.

From my own personal viewpoint, from the viewpoint of APRA, from the viewpoint of the future, and considering the need to promote democracy in Peru, to prevent the concentration of power in some sectors, and to pacify our fatherland, I believe that this measure was and is necessary.

The proposal sought to strip the owners of the industrial sector capital of the power to manage money. As we see it, three powerful business groups could not be the owners of the largest bank which gave them the immense power attached to the capacity of administering credits.

Like many other democracies, we believe that productive industrial capital is quite different from the management of credit and money. The duty of the state is to promote production, the creation of material value, and work. But all monopolistic trends linking production and credit must be avoided because it worsens inequalities and social differences.

In addition, the financial system was and still is centralized. That is the reason for the proposal to create a regional banking system. The regional banks will be owned by the citizens of each region and will be able to attract the savings of each region and to invest the savings there, instead of channeling them—as is being done now—toward the financial needs in Lima.

This proposal sought a regional, democratic restructuring. Yet the political confrontation depicted it as a false alternative, as if it were a confrontation between statism and freedom. It was said that it was a catastrophe. A year later I can say that this was a mistaken interpretation. The fact that the largest bank stopped being controlled by three powerful economic groups to become the property of their 6,000 workers, and of 5,000 small shareholders is not catastrophic at all. I think this is a revolutionary event which shows how a democracy can provoke some changes within a democracy. Changes are not as fast in a democracy as in a dictatorship, but freedom is preserved. The creation of a cooperative bank or private regional banks for promoting decentralization is not catastrophic at all.

To separate the industrial capital from the ownership of the banking system has neither jeopardized nor eliminated freedom. The bank issue, however, became the banner of the right of ownership; the project was depicted as an attempt to eliminate the right of ownership and to destroy industry and business.

I believe that this ideological war can weaken democracy because it suggests to the majority that democracy can only work provided the powerful interests are not affected. I believe this is not good for democracy. [shouts, applause]

To separate the industrial capital from the ownership of the banks, to promote the regionalization of capital, to promote the growth of the number of bank shareholders, and to give credits to small industrialists and peasant communities cannot be mistaken for an attack against industrial capital, which we need and which we have strongly defended from foreign ideas, which caused so much harm in the past.

This was our proposal. Yet it was misrepresented, causing alarm and fear to spread. I believe both sides showed an unnecessarily intense emotional involvment for such a simple proposal.

Twelve months later, the country has seen that the fears were unjustified and freedom has not been curtailed. During the debates, however, major middle class and productive sectors—who were not affected by the measure—deemed it their duty to defend democracy and the industrial sector, which were actually never jeopardized. I reiterate this position because I had and I still have faith in them. [passage omitted]

We predicted that the creation of new regions will be a long process; therefore, no one should be discouraged to see discussions and the threat of strikes, as has happened in some departments. This is a necessary part of a very important process because according to the Constitution the legal creation of regions is only the beginning of the path to be followed. The provinces will later be able by majority vote to either confirm the region or rectify what they believe is wrong. The vote of the people is the final step; therefore, I believe that passions and emotions should not be exacerbated because in the first years, the regional governments will go through an inevitable learning process.

No one should believe that the creation of a region is an irresponsible act. Regionalization is the most important change we can make, and it is possibly the most important political and institutional reform of the present century in this country. This is why I call on the Congress to put aside the differences that are not important to this issue and continue with the urgent creation of the regions, an issue the country is following with great interest. [applause]

I am grateful for the creation of the Grau region, the northeastern Maranon region, and the Amazonas region. I would like to ask for the implmentation of the necessary legal measures for the newly created regions to elect their representatives [applause] in order for the executive branch to give their governments what the Constitution and the laws provide.

While the discussions develop on the creation of new regions, an issue on which the national representatives must agree, we should begin to test and put into practice the regional governments of the three newly created regions. [Applause] This is how we are going to start the decentralization program.

I would like to ask the people in the newly created regions to act with the necessary civic attitude and maturity, and to give to the Federation of Peasant Communities the importance it should have. In contrast to what many people believe, regionalization will affirm and consolidate national unity. The centralism and bureaucracy which divides Peruvians is mainly responsible for our backwardness. I hope the creation of regions will conclude this year in order to make 1988 the year of the regionalization. [passage omitted]

A draft law that we submitted to Congress established that those who receive social security benefits, as well as the new health institutions, must comply with the principle of social solidarity. In fact, part of their contribution should go to the Peruvian Social Security Institute, to allow it to extend its services to the peasant communities, shanty towns, and the unemployed.

This way, each worker can exercise his freedom, choose the health institution he will join, and still continue to cooperate with society. Whenever we have tried to enforce this system, that is, the enforcement of Article 14 of the Constitution, it has been said that this would transfer the social security sector to private hands. This is not true. That is a cliche; a slogan that has prevented workers from exercising their democratic right to participate and has prevented the democratization of the Peruvian social security system.

To maintain this slogan is equivalent to saying that when we create a regional government, we are privatizing the state. This is not true, because this proposal really seeks to guarantee the participation of society.

Other complaintaints say that the creation of new health institutions, among which workers can choose, can lead to the bankruptcy of the Peruvian Social Security Institute. This is not true. What will happen is a modification of the current system and of its operation. The Institute will be forced to improve its services, review its spending, and—as its own employees have demanded—begin a thorough internal moralization campaign.

Gentlemen, this is a constitutional article, and it is our duty to comply with it; it is not a proposal from the president. I propose to comply with this article because otherwise any Peruvian, any worker could file a court injunction asking to be relieved of the obligation to pay his contribution, on the grounds that he has been given no right to choose and that the corresponding constitutional article has been disregarded. [applause] [passage omitted]

We will continue to do everything in our power to eradicate drug trafficking and the illegal cultivation of coca, which is jeopardizing the developed societies, and which is also spreading corruption in our fatherland.

A few days ago, I met with the Brooklyn district attorney, who told me the dramatic story of thousands of drug traffickers who have been sentenced in the past 12 months.

In this effort, which involves the defense of mankind and the defense of youth—for which there are no borders—the American people can rest assured and can count on our most determined help. We can call upon all Latin American countries that share the same problem to join in a common effort, using the means that we share. We can call upon specialized agencies. Peru cannot be an exporter of poison. Neither can it tolerate the strategic and financial alliance between terrorism and international drug trafficking.

Mr President of Congress: These are some of the major issues that I wanted to address on this occasion. A written report has been submitted to the Congressional Board, in keeping with constitutional provisions, and it is available to the members of Congress.

I wanted to stress, as it was done amid difficulties 100 years ago, that fear cannot and should not weaken our faith in the national future. Despite its contradictions and difficulties, democracy is becoming stronger. I am sure that in 2 years I will be able to transfer the presidential sash to the citizen elected by the people. Up until that moment, I will continue to work tirelessly, facing all difficulties and obstacles in the search for national independence, for regional democracy, for social justice, and for freedom.

In the final analysis, my only desire is to improve the service that I am rendering. The rest is unimportant. I again tell Peru that no work can be undertaken without making mistakes, that the situation is and will continue to be difficult, but we will not give up our decision to support the humble, simple people, who can recognize good faith and good will.

I acknowledge the right to criticism and dissent, but I know that beyond dissent and conflicts, the future will unite all of us Peruvians because each year the future will become the present, and we will be more strongly imbued with our Peruvian feelings. Time will turn fear into nothing but a bad memory, and when we turn our eyes to what will be the past, we will realize that the hatred and the struggle were superficial and not as important as our collective future. Those who lived in fear and doubt will see that Peru survived and that the nation continued because Peru has been and will always be greater than all its problems. Thank you very much.

Shining Path Leader Defense Lawyer Assassinated

PY2907152488 Buenos Aires DYN in Spanish 1500 GMT 29 Jul 88

[Text] Lima, 29 Jul (AFP)—The Peruvian lawyer, Manuel Febres Flores, who obtained the acquittal of Shining Path military chief Osman Morote, was murdered in a tunnel in Herradura Bay in Lima on 28 July, according to relatives of the lawyer who reported the incident here today.

The victim's wife, Estela de Febres, identified the body of her husband, which has been taken to the Lima morgue for an autopsy.

More on Murder

PY2907220588 Madrid EFE in Spanish 1821 GMT 29 Jul 88

[Excerpt] Lima, 29 Jul (EFE)—It was reported today that the lawyer of Osman Morote, the Shining Paths "number two" man, has been tortured and murdered.

The body of lawyer Manuel Febres Flores was found yesterday at the entrance to a tunnel that leads to La Herradura Beach in Lima. His identity, however, became known only today.

The lawyers body had a bullet hole through the back of the neck, and there were signs of torture on his disfigured face. One of his hands had been entirely crushed.

Last week, the Second Correction Court in Lima, which was trying Morote—who had been recently captured with other terrorists in Lima—acquitted the Shining Path leader. The acquittal created a considerable scandal in the country.

The Second Correctional Court decided that there was insufficient evidence to sentence Morote, and that the current antiterrorist laws allowed [as received] sentencing a person for his connections with a terrorist group or as the mastermind of terrorist acts.

Morote, who reportedly has terminal cancer, was not released because he still has to be tried for other terrorist acts. [passage omitted]

Unknown Group Responsible

PY2907225388 Madrid EFE in Spanish 2203 GMT 29 Jul 88

[Excerpt] Lima, 29 Jul (EFE)—Today the "Rodrigo Franco Commando Group" [Comando Rodrigo Franco] claimed responsibility for the killing of lawyer Manuel Febres Flores, the attorney who defended Osman Morote, the number two man of the Shining Path terrorist organization.

Local police sources stated that this heretofore unknown commando group has issued a communique claiming responsibility for the killing. The communique states that from now on, two terrorists will be killed for every leader or militant of the ruling APRA.

The commando group has taken the name of Rodrigo Franco, an APRA official who was killed by a terrorist group at his home in Nana, near Lima, in 1987. [passage omitted]

Lawyers Blames Government

PY3007201788 Madrid EFE in Spanish 0457 GMT 30 Jul 88

[Excerpt] Lima, 29 Jul (EFE)—Today Alfredo Crespo, president of Democratic Lawyers Association [Asociacion de Abogados Democraticos, AAD], blamed the government for the murder of Manuel Febres Flores, defense lawyer for the Shining Path's number two man, Osman Morote. According to Crespo, Febres Flores' killing "is part of a repression campaign against all lawyers who defend political prisoners."

AAD is a group of lawyers who defend people charged with terrorism. According to police, the AAD is the "legal arm" of the Shining Path.

The Peruvian Government does not accept that those accused of being terrorists are "political prisoners," but rather considers them common criminals. [passage omitted]

Police Arrest 3 Abu Nidal 'Terrorists'

PY3007183088 Madrid EFE in Spanish 0406 GMT 30 Jul 88

[Text] Lima, 29 Jul (EFE)—The Interior Ministry reported today that the local police arrested in Peru three terrorists—an Algerian, a Lebanese, and an Egyptian—who alledgedly belong to the Palestinian terrorist group "Abu Nidal."

The Interior Ministry said in an official communique that during questioning the terrorists revealed their main mission was to carry out joint terrorist activities with members of the "Shining Path."

Some of the targets they planned to attack were the Jewish Synagogue of Peru, the Israeli Embassy in Lima, the U.S. Consulate, the Shalom travel agency, and national and international airline and maritime transportation companies that operate in this country.

The names of the terrorists are: Hocine Buzidi or 'Ali Muhammad 'Ali 'Isa al-Batmi, alias "Samir," 36, Algerian; Ahmad 'Asad Muhammad or Salim 'Abd al-'Aziz, alias "Salim," 19, Lebanese; and Muhammad 'Abd al-Rahman 'Abid or Mu'tasim Qasim, alias, "Mu'tasim," 19, Egyptian.

The communique states that the police operation took place on 16 July after several weeks of intelligence activities.

It also states that Hocine Buzidi "is a very high-ranking leader" of international terrorism, and he is a member of the "Abu Nidal" central executive committee.

According to the communique, this organization is responsible for terrorist attacks in several parts of the world—including Jordan, the United Kingdom, France, Austria, Pakistan, Australia, Spain, Portugal, and Italy—that took place from September 1976 to July 1985, and in which about 150 people were killed.

The communique states that "Abu Nidal" was created after a split between some Palestinian extremists and Yasir 'Arafat's PLO, "and through terrorist acts they are trying to prevent a peace agreement between the PLO and Israel."

U.S. Consulate Target

PY3107133088 Madrid EFE in Spanish 2348 GMT 30 Jul 88

[Text] Lima, 30 Jul (EFE)—Colonel Javier Palacios Ortiz, chief of the Peruvian Anti-Terrorism Directorate (DIRCOTE), said today that the capture of three members of the Palestinian terrorist group "Abu Nidal" in Lima has prevented a series of attacks against the Israeli, British, Belgium, Colombian, and U.S. Embassies.

The DIRCOTE today presented the three detainees to the press. They are: Algerian Hocine Buzidi or 'Ali Muhammad 'Ali 'Isa al-Batmi, alias "Samir"; Lebanese Ahmad 'Asad Muhammad or Salim 'Abd al-'Aziz, alias "Salim"; and Egyptian Muhammad 'Abd al-Rahman 'Abid or Mu'tasim Qasim, alias "Mu'tasim."

According to a DIRCOTE report, Hocine claimed to be a businessman. He lived so extravagantly however, that police finally became suspicious.

Due to his lifestyle, a special group of agents began surveillance on him. It was later discovered that he had connections with two other foreigners whose activities were also suspicious. The three were then detained.

Col Palacios pointed out that the special agents are responsible for preventing international terrorist groups from establishing contact with the Peruvian terrorist group known as the Shining Path.

Palacios reported that DIRCOTE seized a sketch of the Israeli Embassy in Lima that also included the description of movements and activities of Israeli diplomats.

The special agents were also controlling the activities of the PLO office in Lima. The Muslims also had sketches of the Lima synagogue and reports on the U.S. Consulate and the Israeli travel agency "Shalom."

The DIRCOTE also seized a suitcase with a lot of data on members of the "Abu Nidal" organization in Europe and in the Middle East, including communications codes.

Col Palacios said that other documents, which are coded, are being examined. He added that the alleged terrorists were sent to Lima to establish an "Abu Nidal" cell in Peru.

He concluded by saying that the terrorists were also supposed to list the names of members of the Arab community in Peru and make contact to enlist them in the cause.

Garcia on 'Terrorists'

PY3107024088 Lima Television Peruana in Spanish 0100 GMT 31 Jul 88

[Excerpts] President Alan Garcia deemed the presence of Palestinian terrorists in Peru "serious and alarming." President Garcia said this fact must strengthen our decision to modify the laws that prevent the creation of armed groups. [passage omitted]

[Begin recording] [Passage omitted] [Unidentified reporter] Peruvian public opinion has been shocked by the detention of three Palestinian terrorists in Peru, Mr President.

[Garcia] Yes, this is serious and alarming. According to the report, they are members of an international political organization dedicated to subversion called Abu Nidal. [passage omitted]

What I consider alarming is that these people have come to Peru to contact, as the police reported, members of the Shining Path terrorist group. [passage omitted]

This incident must reinforce our decision to modify our laws in order to more harshly and effectively sanction terrorism, thus preventing the action of ultra-right groups that take justice in their own hands, and to prevent international terrorists from coming to Peru to contact other terrorists here and to conduct joint terrorist acts.

We will continue the investigation by asking all countries where the Abu Nidal group has committed crimes to clearly establish the identity of these three people and to report whether there are any outstanding petitions to extradite any of them. [passage omitted] [end recording]

PLO Rejects Abu Nidal Ties

PY0108011588 Madrid EFE in Spanish 2005 GMT 31 Jul 88

[Excerpts] Lima, 31 Jul (EFE)—The PLO representation in Peru today said the presence of three alleged members of the terrorist group "Abu Nidal" in Lima only serves to damage "the good relations" between the PLO and the Peruvian Government.

The media in Lima today disseminated a PLO communique saying that "Abu Nidal" is trying to tarnish the image of the Palestinian revolution and "to hurt directly or indirectly" PLO representation in Peru.

The communique says the group does not form part of the PLO and adds that their leaders were tried and condemned for high treason by PLO tribunals.

The note says one of the purposes of the terrorist group, which is described as a "mercenary group," is to attack the PLO. It says that in the past the group has murdered many PLO officials and representatives, and "many Palestinians who advocate a just and lasting peace in the Middle East."

The communique says any act directed at destroying "the solidarity uniting the Peruvian and Palestinian peoples or at damaging the friendly relations that the PLO and the Peruvian Government have maintained since 1979," are "treason to the Palestinian revolution." [passage omitted]

The communique says "Abu Nidal's" actions are prompted by "the political change" generated by the Palestinian rebellion in the occupied territories, which "once more has shown to the world the Palestinian people's unwavering will to reach national liberation without guidance from anyone."

The communique states the PLO's "total and unconditional" rejection of all kinds of terrorism and its "revulsion" at any attempt to mix religious factors in "the struggle for the full recovery of the Palestinian people's national rights."

The communique emphasizes the PLO's "absolute respect" for the principle of nonintervention in the internal affairs of other countries and "any authentic Palestine" and the PLO's total compliance with National Council agreements forbidding all military actions outside the occupied territories and bordering states.

'Terrorists' To Be Expelled

PY0108023888 Buenos Aires DYN in Spanish
2246 GMT 31 Jul 88

[Excerpts] Lima, 30 Jul (AFP)—The police have reported that the three international terrorists connected with the Abu Nidal terrorist group, who were arrested by Peruvian police, will be expelled from the country for breaking the immigration law. [passage omitted]

Based on information uncovered by police, Colonel Javier Palacios said that the terrorists intended to recruit Arab residents here to work for Abu Nidal, and also to create a clandestine terrorist movement.

Col Palacios said that the Palestinians probably have a base in Chile, from where one of the men arrived a few days ago. [passage omitted]

Palacios said that some documents written in Arabic were found on the terrorists dealing with diplomats' attendance at a Jewish synagogue in Lima.

They also referred to a PLO office in Lima and to the activities of the PLO office employees. Coded documents were found, as well as Abu Nidal propaganda, all of which is being analyzed by police laboratories. [passage omitted]

The detained terrorists, who have been placed at the disposal of the Peruvian Investigative Police (PIP) immigration division because their activities are not specified in the law on terrorism, will be expelled from the country, probably on 5 August, a police source said.

30,000 Striking Miners Expected in Lima

PY2907030188 Madrid EFE in Spanish
1951 GMT 28 Jul 88

[Text] Lima, 28 Jul (EFE)—Approximately 60,000 workers of the northern and southern mines have been on strike for 10 days demanding salary increases. As a result of the strike, $4.5 million are lost every day.

The strikers belong to "CENTROMIN Peru" [Central Peruvian Mining Enterprise], that is, the former U.S.-owned Cerro de Pasco, which was expropriated by the military government 12 years ago; the "Southern Peru Copper," a U.S. company that mines copper deposits; and the "Hierro Peru;" as well as several other small mines.

The Labor Ministry has declared the strike illegal and rejected the salary demands of the Federation of Miners, Metalworkers, and Iron and Steelworkers [Federacion de Trabajadores Mineros, Metalurgicos y Siderurgicos] on the grounds that the only pertinent union that has legal status is the Federation of Miners and Metallurgical Workers of Peru [FMMTP].

Today the Labor Ministry issued a communique ruling out joint negotiation of the demands and stating that each mining enterprise must bargain independently with their employers.

The strike began on 18 July, and some 30,000 miners and their families are expected to arrive in Lima today on the so-called "march against hardship," which is aimed at pressuring the government.

Moises Palomino, the president of the Federation of Miners, Metalworkers, and Iron and Steelworkers, said that the miners make an average salary of 9,000 intis, approximately $45 [no time span given], on which it is "impossible to survive."

In addition to salary hikes, the miners want better working conditions, improved health standards at the mines, and retirement at either 50 years of age of 20 years of service.

Palomino said that if the miners' requests are not complied with, the 60,000 members of the federation will gather in Lima and stage marches and rallies until they get what they want.

Palomino complained about police repression of the miners' strike and reported that because of this repression one woman has died, five miners have been injured, and many have been arrested.

Wrap-Up of Recent Terrorist Activities

PY2907153088 Madrid EFE in Spanish 2140 GMT 28 Jul 88

[Text] Lima, 28 Jul (EFE)—Today military authorities reported that three soldiers and four members of the Shining Path guerrilla movement died when terrorists ambushed a military truck. The attack took place last Wednesday.

The attack took place near the town of Suncho, 50 km from Abancay, the capital of the southern Department of Apurimac.

According to a communique, the ambush, in which 3 other soldiers were wounded, was mounted by some 20 guerrillas.

In Arequipa, a city located 1,000 km south of Lima, presumed terrorists on Wednesday murdered one Republican Guard and wounded another.

On Wednesday, in Ferrenafe, in the northern Department of Lambayeque, the police deactivated a car bomb parked in front of a church.

On Wednesday night, terrorists blacked out Lima and several southern and northern Peruvian towns for 30 minutes. During the blackout, the terrorists carried out attacks using explosives that caused little damage.

In Lima, bombs were hurled at the headquarters of the Velazquist Revolutionary Movement causing some property damage. The police deactivated other bombs planted at the doors of two banks in Lima and Callao.

Another bomb was hurled at a police station in Lima, while the police detained two presumed armed terrorists in a commercial sector in San Isidro District.

In the town of Huancayo, 415 km southeast of Lima, a bomb was thrown at the office of the district attorney.

Uruguay

Armenians Protest Before Visiting Soviet

PY2907144288 Madrid EFE in Spanish 0443 GMT 29 Jul 88

[Text] Montevideo, 28 Jul (EFE)—Today the Armenian community in Uruguay, protested in front of Pulat Khabibullayev, deputy chairman of the Presidium of the Supreme Soviet, who is paying an official visit to Uruguay. The demonstrators demanded a solution to "the arbitrary situation" which has prevailed in Armenia for the past 65 years.

The demonstrators were protesting the decision of the Presidium of the Supreme Soviet on 18 July which rejected the Armenian petition seeking to restore the Nagorno-Karabakh region to the Soviet Republic of Armenia.

A communique issued by the Armenian community of Uruguay states that the decision "goes against the legitimate aspirations of all Armenian people and represents a categorical rejection of the principle of self determination of nations, recognized in the Soviet Constitution."

According to the Armenians of Uruguay, this decision "questions the restructured, open, and democratic policy that is being introduced in the USSR and seeks to maintain the situation that has been used for the past 65 years."

They also expressed their "serious concern over the consequences of the repressive methods applied against the large crowds of pathetic demonstrators in Armenia and in the autonomous region."

Further on Soviets' Visit

PY3007192088 Montevideo Radio Libertad Sport Network in Spanish 1600 GMT 30 Jul 88

[Text] The Soviet mission visiting our country is following a busy agenda. This morning the Soviet representatives visited Florida Department, where they were received by Mayor Augusto Montes de Oca. They may then visit sites of interest.

Tomorrow at 1400 the Soviet delegation will depart from Carrasco airport for La Paz.

[Reporter from Florida] A delegation of Soviet congressmen headed by a deputy chairman of the Presidium of the Supreme Soviet is currently visiting our city. The Soviet ambassador to Uruguay is also accompanying them.

They are currently being received by Florida Mayor Augusto Montes de Oca Galagorri. They will later lay a wreath at the monument in Plaza Asamblea.

They will then visit the El Aguila tannery and Sierra Alta, where they will lay wreath at the Piedra Alta monument. After that they will visit plant No 7 of CONAPROLE [National Cooperative of Milk Producers] and the San Alberto cattle ranch located at km 103 of highway No 6 near San Gabriel.

Barrios on Panama 'Crisis,' Group of 8 Meeting

PY2907133188 Montevideo Radio Carve in Spanish GMT 19 Jul 88

[Text] Uruguay is interested in helping to resolve the Panamanian crisis, Foreign Minister Barrios Tassano said yesterday upon his return to Uruguay. He said that Uruguay wishes to prevent the Panamanian crisis from getting worse.

Returning from a tour of Peru and Colombia, Barrios Tassano said that the Group of Eight members will prepare a basic plan of holding talks with the industrialized countries. This plan will be prepared by the foreign ministers of Uruguay, Argentina, Peru, Colombia, Mexico, and Venezuela during a meeting that will be held in Brasilia on 13 and 14 August, Barrios Tassano said.

Economy Minister Returns From Far East, U.S.

PY3007171888 Montevideo Radio Carve in Spanish 0930 GMT 30 Jul 88

[Excerpt] Expressing satisfaction with his recent trip to Japan, Hong Kong, and the United States, Economy and Finance Minister Ricardo Zerbino said at Carrasco airport that Uruguayan economic policy will not be modified.

Minister Zerbino said that a Japanese business mission will come to Uruguay in September and that great progress was made in the negotiations with Japan for financial support. He said that this aid is for the transportation and road sector.

Zerbino also referred to his visit to Washington, where he signed a contract for the sale of 178 tons of Italian-style cheese, which will increase the Uruguayan cheese export quota to the United States by 70 percent.

He also said that the IDB will soon approve a $500,000 loan for the Uruguayan Chamber of Industry.

Minister Zerbino, who was accopanied by Central Bank President Ricardo Pascale, made the following evaluation of his trip:

[Begin Zerbino recording] It was a three phase trip; we visited Japan, Hong Kong, and the United States. We had several objectives, and the central bank president and I are very satisfied with our meetings.

One cannot say that one brings things from these trips, but we have made considerable progress on some projects and began others that will take time to conclude.

We had four objectives in Japan: in the field of bilateral financing, we continued negotiations with the Japanese Government for aid from the OFS [not further identified], which is the Japanese concessional credit organization. This aid is intended for two projects we wish to develop, the foremost being a regional development plan for cities of the interior.

We are also tryig to obtain a cofinancing agreement with the Eximbank of Japan for a loan to our transportation sector, mainly for the construction of roads.

We have made great progress on these projects. We also have a cofinancing project with the World Bank in New York.

We believe that the planned trip of President Julio Maria Sanguinetti to Japan will help to conclude these projects. I hope they will definitely be confirmed during his trip. [passage omitted] [end recording]

5,000 Tons of Butter Sold to Iran

PY2907135888 Montevideo Radio Carve in Spanish 0930 GMT 29 Jul 88

[Excerpt] Roberto Viaso, vice president of CONAPROLE [National Cooperative of Milk Producers], has reported that 5,000 tons of butter will be shipped to Iran during the first half of August. This operation has earned CONAPROLE $6.5 million, he said.

He also reported that a deal for selling butter and powdered milk to the USSR will be concluded by the beginning of next year. [passage omitted]